Federal Worker Portrait

Mr. Speaker, we all carry in our minds stereotypes of groups in our society. They often little resemble reality.

Take the workers in the Federal civilian work force; it is probably true that this very title conjures up in the American mind an image of paper shufflers wearing green eye shades at their desks in obscure Washington offices. It is probably true as well that these nondescript figures are regarded as overpaid, underworked and that they multiply geometrically.

Sadly, this picture is terribly distorted. It squares not at all with the way things really are.

The people who are lumped together, sometimes derisively, as Government workers are doctors, lawyers, electricians, brick masons, accountants, shipbuilders, deep sea divers, oceanographers, scientists, typists, mechanics, secretaries, architects, librarians, teachers, mailmen, and so forth.

In short, they are the people who live next door. The only difference is that they do not work for General Motors, United States Steel, Prudential Life Insurance, the local supermarket or the neighborhood automobile dealership. On the average they earn about $20,000 a year, which closely parallels the median family income in the United States. They raise about the same number of children as other Americans, have home mortgages and automobile payments and other expenses like the family down the block.

At last count there were 2,907,259 men and women working full time for the Federal Government, not including the military.

And to put to rest the notion that these are mostly bureaucrats in musty Washington offices, consider this:

Only 7.64 percent of all Federal employees work in the District of Columbia. Actually there are more Federal workers in the State of California than any place else in America—nearly 300,000 of them for a total of 10.65 percent of the total Federal workforce. Michigan has 53,350; New York 166,195; Texas 148,022; Illinois 101,687; Ohio 89,444; Georgia 75,941; Alabama 59,857; Pennsylvania 128,018.

It is disheartening to hear, as we do these days, blanket condemnations of Federal Government workers. All too frequently they are the brunt of jokes as they are portrayed as freeloaders at the public trough. Nothing could be farther from the truth.

The truth is that if we did not have Federal workers spread across the face of this land we would have to invent them.

They build and repair our Navy's ships. They deliver our mail. They guide our commercial airliners in and out of crowded airways. Every day they are developing new treatment and cures for disease. They make sure that the food we eat is safe. They make possible the flow of commerce. Without them our kind of society could not survive.

The farmers in America would find their lives a good deal more difficult without county agricultural agents who test their soils, recommend rotation practices and perform countless other services. Of the 93,843 employees in the Department of Agriculture, very few are necessary paper shufflers in Washington. Mostly they work near the farm lands in occupations ranging from soil conservationists to veterinarians. For the record, there are 3,200 people working for the Federal Government in the field of veterinary medical science. Among other things, they guarantee that our food supplies are not contaminated by disease.

The next time you are tempted to think of these public servants as pencil pushers, remember that mathematicians and physicists employed by the Federal Government launch our space vehicles. There are 9,834 persons employed in the physical sciences. Remember, too, that it is the investigators at the FBI and lawyers at the Justice Department—in cities across America—who protect our laws and prosecute those who violate them. This is a nation of laws populated by more than 200 million citizens. The figure of 20,882 persons working in legal and kindred employment hardly sounds unreasonable.

It is true that the largest single concentration of white-collar workers is in Washington. But this is hardly surprising since Washington houses the headquarters for most departments and agencies.

We hear a lot about waste and inefficiency in the Federal Government. Of course there is some. It would indeed be surprising if there were not. We will find some waste and inefficiency in the best managed American corporations. It is unavoidable in any undertaking—from the lowest household to the largest corporation. The difference is that the Government is always under close scrutiny because it spends the public's money. Reporters do not look for waste at General Motors, United States Steel, IBM, or Texas Instruments, even though the public pays for waste and inefficiency in the business and industrial community through higher prices.

Government does have a special obligation to insure that the people's money is spent wisely. Waste and fraud should be pursued diligently. Where it is found it should be cut out. But this should be done surgically, not with a meat ax. In trimming the fat we must take care not to mutilate the steak.

It has taken two centuries to build the machine that is our Federal workforce. The vast majority of workers are in their jobs because there is indispensable work to be done to keep the Nation operating. There is no question that unneeded jobs should be eliminated, that unnecessary workers be let go and procedures streamlined wherever possible. But we should avoid a helter-skelter approach that threatens, in the name of economy, the vital work that must be done.

When we set out to eliminate jobs, we must know precisely what we are doing. Before we act we must have a good idea of the consequences. Do we have too many food inspectors, too many customs officials, too many social security clerks, too many doctors at the National Institutes of Health, too many county agricultural agents, or too many air traffic controllers?

Just these few examples provide an insight into the importance of Federal workers to our daily living. Without them we could not trust the very food we eat. So many of the services on which we depend would not be there without the Federal worker.

We have become a very complex society. It requires considerable expertise to keep it operating. There are those of us old enough to remember the Model T Ford. Pop and the boys could usually keep it running with a few inexpensive parts that were relatively easy to install. Anyone who has looked under the hood of an automobile today understands that keeping it on the road is no job for the average backyard mechanic. And what has happened to the automobile is really a microcosm of what has happened to our society.

This means a lot of people. But consider this: The total number of full-time Federal workers has remained virtually unchanged since 1967 and the ratio per 1,000 population has declined from 16.3 to 12.4 since 1952.

Statement to the Congressional Record by Representative William D. Ford, (D-Michigan) March 11, 1981

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I'M PRETTY SURE MOST OF THE SYSTEM WORKS. ,,

Deborah Christie is Director of the Mobility Forces Division, in the Office of Program Analysis and Evaluation, Office of the Secretary of Defense. Prior to working at the Pentagon, she worked with two private sector research organizations, after deciding she wanted to do something with her degree in mathematics "other than computer programming."

Since 1974, William E. Williams has been Deputy Commissioner of Internal Revenue Service. A career executive, he served as chairman of the IRS Executive Resources Board and of its Performance Review Board.

"THERE IS A SERIOUS MORALE PROBLEM AMONG SENIOR EXECUTIVES . . . "

Williams received a Presidential Distinguished Executive Rank Award in the first award ceremony last fall. At the time of this interview, he was serving as Acting Commissioner of Internal Revenue, pending the installation of Roscoe L. Egger as the new Administration's Commissioner.

AN INTERVIEW WITH DEBORAH CHRISTIE. . .

Management's interview with Christie took place in late February, as the White House announced its intent to request substantial increases in the Department of Defense budget.

The jump from math to management:
I moved by simply gaining more and more experience. I got my management experience by heading study groups and being responsible for fairly major studies where you would have to work with a lot of different offices, pull people from a lot of disciplines together. That has been the traditional way for people to gain managerial experience in this particular organization because it doesn't have a lot of small groups to manage.

Her organization, her job:
Our major role is in the long-range program development, the five year defense program. My particular focus when I look at the program is how rapidly we can deploy forces. The Secretary of Defense will have established certain objectives that he would like to be able to attain: so many divisions to a certain location, so many days after a decision to deploy—something like that. The Services propose using so many planes and ships of different types and we ask the question: Would these be able to deploy forces as fast as the Secretary wants? If not, what options can we offer? We have an extensive set of computer simulation models that we use.

Of the three people who work for me, one is a civilian, one is an Air Force officer who flies cargo aircraft, and one is an Army officer who is from the logistics part of the Army. They are very good at keeping those of us who don't have the particular military experience on the straight and narrow. That's been very helpful in gaining the kind of experience I now have. Most of us have some kind of educational background that involves a hard science like math or engineering.

Salary ceilings:
I don't know too many people who have been seriously influenced by the fact that there is a salary ceiling. I can't think of any of my friends who decided to leave DOD because of a salary ceiling. Obviously most of us have bumped against it. It's been that way for a long time. I don't think that it has affected me that much.

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AN INTERVIEW WITH WILLIAM E. WILLIAMS. . .

Q: There seems to be some concern about reassignment of career SES people after 120 days. Do you have any comments on that?

A: We've had no contact from OPM or the Treasury Department in this regard. I just don't believe that there is going to be much of that. I can't see the Administration making any drastic number of reassignments, even though I think there is probably a need for some. There is a need for talents and skills in certain areas. And one of the purposes of SES, as I understand it, is to provide people with opportunities to move up in the organization—either theirs or another one. I would think there would be a number of people interested in making changes and moving up. Mandatory reassignments may happen under SES; they happened prior to SES, also.

Q: Do you consider SES high risk, high reward?

A: We live in a little different world at IRS, I think. We are very strongly career oriented. There is only one senior position in Internal Revenue Service that is not career and that is the Commissioner. All the rest of us have career status since our last major reorganization, in 1952 took us out of the political arena. Basically, we've never had those kinds of concerns with changes of Administration. We've never had a Commissioner appointed by the President who has come in and immediately made major changes in the assignments of our senior officials. Now there is presently a serious morale problem among senior executives and I assume you may want to talk about that.

Q: Yes. What do you think could be done about it?

A: I've [illegible] of the Revenue Service since 1962. I think I went through nine years at the $36,000 salary ceiling. A lot of people didn't have this happen to them, but they are exposed to the problem now at the $50,000 level. I think that morale is at the lowest right now that it has been for the past several years. In the past year or so, morale of senior officials is the lowest that I've seen in my experience.

Q: Because of the pay cap?

A: A number of things. You couple them all together and it becomes

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Do bonuses help?
A little. I was a recipient of a bonus so it obviously worked for me. Everybody was disappointed when Congress backed off on the number of people who could get bonuses. Because we've only been through one year I think it's hard to know how it's really going to work. Particularly in an organization like this where I know the managers would like to have awarded bonuses to a much larger group of people. It's hard to say what they will do next year. Maybe they will feel that they should pass them around.

The future of SES:
It's hard to say how the SES is going to work because we've only been through the bonus process once and we don't really have a big enough sample yet to make a firm conclusion. Also, I don't see a large picture of how it's working; I couldn't tell you, for example, whether anybody has been removed under the SES system yet. I know no one has been in our particular organization, but I don't know whether it has happened elsewhere or not. Certainly the rules should make it much easier.

On joining the SES:
There really wasn't any choice. You could stay where you were forever as a GS-16, but if you wanted to have the possibilities for moving from one position to another, getting into the SES was the best thing to do at that time. Otherwise you later had to go through the certification at OPM. I don't think that among my colleagues there was really ever any question that you would go ahead and sign up for it. In fact the only reason that any of us could see for not signing up was if you were very near retirement or felt you would never be interested in changing jobs. I've always moved around. I've been here ten years but have had four different jobs in those ten years, and I wouldn't want to stay in the same position for an indefinite period of time.

I wouldn't mind going to another agency. It would depend on the particular type of job, but program analysis in the sense of long range planning—what your objectives are and how would you go about achieving them—is pretty much the same, whether you are doing it for the Department of Energy or the Department of Defense. Detailed subject matter differs but the skills are the same.

Is SES "high risk, high reward"?
I don't think it's all that high risk; that's not my perception. I suspect that the safeguards will keep it from being terribly arbitrary. Yes, there have certainly been higher rewards for some people.

Merit pay as a motivator:
It helps, I'm sure, but I don't think it's going to be the primary motivator. I think (my merit pay employee) probably works as much for the interest in the subject matter and the fact that it is relatively important to the Secretary of Defense. We do have the opportunity for pretty high visibility and influence here, and that's a pretty high motivator.

The thing that I'm a little worried about is whether we might tend to drift to a system where everybody rates in the most outstanding category. Congress told us we had to evaluate everybody without concern for how many other people fell in each category. We in Defense have experience with the military efficiency report system. When you find everybody is in the top 5 percent, you know that's not true; but it has gotten to be the case that ranking someone lower than the very top is such a negative thing to do that people rank everybody very high.

That may happen with merit pay too; you find that rankings tend to come out very high, in which case you will end up simply dividing the pie by the number of people. It may take several years before it settles down and people begin to understand the system.

Government vs. Private Sector
The biggest difference is that there is a lot more work here. It's a much faster pace, as it has been the whole time I've worked here. In my private industry job, I went to work at 8:00 and quit at 5:00 every day. There were very infrequent pressure deadlines or very fast turnarounds. Here it's quite the opposite: You are frequently working under time pressure. I guess the toughest part of my job is that there are a lot of things that I can see that ought to be done in my area that we just don't have the time or the people to do.

Effects of the budget process on long range planning:
Sometimes there are a number of pressures that keep us from doing as much long range planning as we would like. Of course DOD has had a five year plan since the mid 60's, so we've always planned at least that far ahead, but we do tend to cut off our vision at the end of five years. There aren't very many organized activities that look beyond that, although there are some.

Starting this spring we will be doing the '83 to '87 program. Once we finish with the program then we will do a 1983 budget in considerable detail. We don't do all five years in as much detail as you have to have for a budget to Congress.

Feedback and the need for feedback:
Yes, we do need it very much and that's been a problem in DOD because there has been a separation between people who were doing the long range planning and the people who were doing the "today" planning. There has been a sort of civilian-military split; the military consider war planning for today to be very much their province and

although they tell us a little bit about it they don't tell us a lot. I think they're coming to realize they have got to tell us more about it. We have to understand what today's problems are if we are going to establish the right programs to make better war plans in the future, to structure the right remedies . . .. Meetings help, but we really need some kind of system as well to make sure that it doesn't rest on the good will of individuals but that it really becomes a kind of a formal process. There are some starts in that direction.

There are so many organizations involved in the budget process. It starts at the bottom and it bubbles up through the Services and each level of management puts its own bias and priorities into the picture. The people who operate the forces are different from the people who are responsible for long range programming. Sometimes what they perceive as very important is different from what the long range program is like.

Rewards of the job:
Occasionally somebody stays around long enough to actually see something happen that he worked on and was part of, when something he has been working on for a long time finally actually gets done. In the long range planning process you don't see that very often because you are always thinking about something three to five years in the future.

Exeeutive development and training:
I think it would have helped me to have had some more formal training in management before I got dropped into it. I didn't really know exactly what I was getting into. But most of the people I know never had any formal management training; they sort of drifted into management positions.

There is a real Catch 22 for a manager in the Candidate Development Program. You want your best people to get into the program so that they have the opportunity for advancement, yet you know if they get in the program they are going to have to go off on development assignments and you are going to lose them. That's compounded by the fact that people within other organizations in DOD will need rotational assignment as part of this program and there are no extra slots available to absorb them. So if a very good employee gets into the program not only will you lose him for long periods of time but you'll probably get put in the role of having to train somebody else. Which is kind of a double burden. I don't know how you solve that problem and I guess we will find out how bad a problem it is as the system gets set up and starts working.

Characteristics of a good manager:
I think it is important to be well organized, to be able to look at all the pressures on you and all the things that people try to get you to do as well as the things that you know you ought to do and pick out the things that are important. To think ahead a little bit and try to anticipate what's coming so that you can keep the work flowing smoothly. I don't always do that all that well, admittedly. It is also important to understand what it is that motivates people and how to get them to do good work . . . how to get them to be enthusiastic about what they are doing so they want to work hard.

Details:
Because this a small office, I get fairly involved in the details. In fact, I would say no more than maybe 25 percent of my time is spent on what you might call "pure" management. A lot of it is spent on the substance of what's going on. Years and years ago, someone I respect said the function of management is to keep the system off the back of the workers so they can get something useful done. I find that there is an awful lot of stuff that comes into the office which is just nonsense that I can deal with very quickly and save someone who may be working on a long range problem an interruption that he doesn't need.

I get the mail every morning and I look at it and I decide whether I'm going to do something, or ask somebody else to do something, or whether I'm going to drop it in the dead letter box and see whether anybody ever comes around and says "Whatever happened to . . .?" You frequently find when you ignore something no one will ever plague you about it.

Mentors:
I had a couple of people who were very helpful to me at different points in my career not only in teaching me to be a good analyst but also in getting me promoted. I have tried to be a mentor to a couple of people but I haven't had that many opportunities to do it, with a small staff largely of military people.

Performanee appraisal:
It's difficult to do the kinds of jobs we have. The system asks for critical elements and standards of performance that are objectively determinable, but we don't do anything that you can go out and measure and say, "They did 15 of those today," or "The time from when a requisition comes in to the time they process it out the other door has been shortened," or anything like that. We give advice, try

to spot problems and suggest solutions . . . those kinds of things. We don't operate any programs; all we do is recommend what *ought* to be programs three and five years in the future.

The real measure is whether the defense program that comes out of the process is better or worse for our having worked on it. We did draw up some standards and we've been trying to measure against them, but I think people are still making their evaluations based on other things that they can't formulate in words. I suppose if we could formulate those things in words we would write them down and sign them.

I would like to see how somebody who has a large planning staff in private industry does it and see if they have any better luck at trying to develop some qualifiable measure when you don't produce products and nobody can look at the bottom profit and loss line.

Women at DOD:
There are a very small number of women in the Office of the Secretary of Defense. There are a lot of women in the Services, but most of the disciplines in OSD are not things that women traditionally have been in. We have an organization called the OSD Senior Professional Women's Group which is for GS-12 and above. I think something like 112 people are eligible for membership and they are concentrated in 12's and 13's. When you get into the 14's, 15's and above there are a really small number of women.

We were founded in crisis when we thought we were going to have a RIF; we polled people we knew, and we could see a potential for a very serious impact of the RIF on women. That was just at the time when President Carter had come in and was making a big point of wanting to promote women up through the system. So we founded our group in an attempt to say to the Secretary of Defense, "If you institute the RIF you're talking about, you are going to be working at cross purposes with the objectives of promoting women, because the women are going to be hit hardest; they are generally the newest employees and don't have veterans preferences in their favor."

I don't know if it was our action that did it, but the RIF didn't have the impact we had expected.

Senior Executive Service:
When Congress was first talking about the system they said they wanted to give managers the opportunity to reward performance and to withhold rewards or even get rid of people who were not performing up to standards. It strikes me that there is a conflict here between wanting to give managers that flexibility and not quite trusting managers to be impartial and to really rate on performance as opposed to personal criteria. So we have developed a system where immediate managers don't have the opportunity to award performance, they only get to recommend, and maybe the system will take their recommendations or maybe it won't. As a result, awards depend not only on an individual's performance but also on how well the person for whom he works can write up citations and recommendations. I don't really know who got honuses, truthfully; nobody published a list. And I don't know whether most of the recommendations got taken or only 10 percent of the recommendations got taken. We don't really have enough data on the system to see whether managers are in fact generally getting their recommendations accepted.

One other part of the SES that has been kind of a pain in the neck, I think, is the screening procedures for candidates for SES positions. Twice now I've been one of the first three people who read all the applications that come in for some SES position and try to weed out the unqualified people. These were cases where people sent in Form 171's in response to job announcements. I read about 60 for one job and many of the people were clearly unqualified for the minimum criteria in the job announcement. Surely there must be a better way than having three highly paid SES members sit and read resumes.

SES performance appraisal: a concern?
No. I don't think so. My understanding is all they can do at the end of 120 days is give you a performance appraisal. To give you a performance appraisal they would have to have established critical elements and performance measures, and then if they rate you as inadequate that has to be reviewed by somebody, so I think there are reasonable safeguards.

I suppose if they really wanted to get rid of people they could establish an SES position as an analyst in some remote outpost and start offering it to people and see how many they could get rid of, but I would think that that would ultimately be declared an unfair management practice.

"There is no such thing as a fixed defense requirement."
That's my favorite quote from Harold Brown. What he was saying was that there isn't any program that will ensure victory or whose absence assumes defeat. What we are always doing is looking for somewhat greater assurance on the margin. You never really get to make a nice cleancut decision that everyone will agree with.

People do tend to talk about "requirements," so I keep that up on my blackboard to remind them. It goes with my poster back there that says, "There is no such thing as a free lunch," which is the other good maxim for defense analysts. You rarely get something for nothing: although the real cost is often hidden.

L.G.T.

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quite a burden. The pay cap is very significant, no question about it. There hasn't been a raise except one small cost of living increase in the last four or five years, while the cost of living has gone up an extraordinary percentage during that period. At the same time we are asking our people to relocate. A very mobile executive cadre has been one of the strengths of our program over the years; our Executive Development Program provides for mobility and greater opportunities. Since the SES came into effect (July 13, 1979) we have made large numbers of placements. Over 90% of those placements involved no pay increase, although in almost all cases they required a change in geographical location. You couple that with the economic problems of the last few years, high mortgage rates and the lack of an adequate reimbursement procedure for moving, with the on-again, off-again situation with the SES bonuses last year, and we have a very significant problem. And it's not going to go away quickly. I think it is going to have a very adverse effect on the Federal government in the long run.

Q: It has been suggested that the 4.8% raise that the Administration would recommend would go all the way up and into the executive levels.

A: That would be very helpful, but wholly inadequate. The raise should be in the neighborhood of 20 to 40%. I recognize that politically it's going to be difficult to obtain a substantial raise or one anywhere near what it should be on a comparative basis. Any amount of a raise would be helpful.

Former Commissioner Kurtz and I supported the SES concept here 100%. We sold it to our executives and only two officials out of over 200 failed to go into the SES at that time; now one of them has entered. It would have been desirable if SES could have gotten off the ground and been in effect for a couple of years without having a major change. The bonuses being changed last year by the Congress had a very adverse effect on the attitudes of our officials. I see it all the time; so many of our executives —many in their late forties or early fifties, in the prime of their life— are saying, "I can't wait until I'm 55." And that's bad. That's bad because the Federal government is going to pay a price in the next couple of decades for this early retirement, I think. But it is very difficult for someone not to consider retirement at age 55 when the benefits to stay are so minimal.

The vast majority of the experienced managers who come into our Executive Development Program come in at the salary ceiling. And they are going to have to move three to five times to different geographic locations to reach their goal of becoming a senior official of the Service. Now it looks as though all those moves would be made without a salary increase.

Q: Do you have any figures on whether you have lost them once they have gotten into the program?

A: Our attrition is very high. In the December-January-February period of 1980, when there was a large retirement bonus, we lost 26 executives out of 227 SES positions. Last August we lost six. During the December and January period, we lost ten. We had heavy attrition prior to that, so there has been a drastic turnover of executives in IRS. In fact, since I became Chairman of the Executive Resources Board in 1974 I've been involved in the selection of all but three of the 227 encumbered positions. So you can see in a seven year period, the turnover has been very significant. It primarily has been caused by the salary ceiling problem, since the pension so nearly approximates the salary level.

Q: What is the effect of SES on government management?

A: I don't think it has been in effect long enough to really measure. It might take two or three or four years to really measure the effects of it. I think it has some good attributes. I think it caused the Executive Branch to develop some better training programs and better selection programs. We have had a good program, one of the best in the Federal government, since 1956. Even with that, we were able to improve ours. The way we evaluate people has been improved. So I think the concept of the Senior Executive Service is a very sound one. It's just too bad that Congress was unwilling to put aside some of their concern and let it work for a couple of years. But they just weren't willing to do that. I think that it is unfortunate that in the Federal government executives' salaries and benefits are based wholly on the will of the Congress. There seems to be great opposition to separating our salary system from the salaries of the Members of Congress. I think if that were to happen we'd have a much better possibility. Most of our people are accountants and attorneys. Couple that with the management skills they develop and they are able to command a great deal more outside the government. I think that that is unfortunate; the government needs some of the best skills and some of the best people in the country. We make decisions in the Internal Revenue Service every day that the

average senior officer of a corporation would rarely make. These decisions affect large sums of money and the welfare of many citizens. I think that executives ought to be compensated fairly for that type of service and responsibility.

Q: Do you feel that the bonuses were awarded fairly and that the processes for establishing the bonuses were fair?

A: I was Chairman of our Performance Review Board, and we were able to award aproximately 20% of our executives bonuses as a result of the desire of the Congress and the administrative action by the Director of OPM to restrict the bonuses to near 20%. And I think that, based on the number of bonuses that we could award, based on the criteria that we were able to develop to award these bonuses, our system was very fair—although we had a lot of executives who were very unhappy at the outcome and the fact that we had such a small number. My opinion is that our executives generally supported our procedures. We discussed this with all of them in a meeting last fall and my impression was that, although unhappy, they generally supported the procedures that were used. Since that meeting we have circularized our proposal for this year for comments, and there are few changes proposed from the system we used last year. Our procedures do tend to provide bonuses for officials who are working in the more difficult positions—and performing extremely well. It is very difficult for us to provide a bonus to a district director, for example, in one of our smaller districts. Even though his performance may have been outstanding, it is difficult for him to compete with an executive in a much larger district or in our national office. So, our opinion would be that the original 50% level for bonuses was about right.

Q: Do you have any suggestions for changes in the SES, as it seems to be unfolding?

A: I think the Congress ought to bite the bullet and let the bonus structure go back to the 50% level as they voted overwhelmingly when the Reform Act of 1978 was passed. The money involved here in terms of the overall Federal budget is very, very small, and given the fact that the salary ceiling is not going to be lifted, about the only thing that our executives can look forward to is a possibility of getting a bonus. If it is going to be restricted to 20 and 25%, those odds are not very great. I think Congress ought to let the previous legislation stand and provide for the 50% bonus structure. I think that OPM ought to be assured that the Departments are handling the bonus structure fairly, and equitably. I don't know what OPM can do more than they did last time: they issued general guidelines and tried to delegate as much as possible to the Departments.

Q: Is it your view that the Board actually gives the bonuses or that it only approves the recommendations of managers below them?

A: In our case our procedure provides that the Regional Commissioner or the Assistant Commissioner makes recommendations of officials under their direction to the Performance Review Board and the Board then meets and tries to bring all this group together. You have a large number recommended, much more than you can allow bonuses, and the Board recommends those who should receive the bonuses; of course they have to be prorated, they can't all be the same amount. Our bonuses ran from $10,000 to $2,500 last year. The Board makes its recommendations to the Commissioner of Internal Revenue, who makes the final decision. In the case of our Deputy Commissioner, the Assistant Commissioners and Regional Commissioners, any bonuses for them were recommended to the Treasury Department and were reviewed by the Treasury Performance Review Board chaired by the Deputy Secretary. The people serving on the Performance Review Board could not approve bonuses for themselves.

Q: Were the names and the amounts publicized internally?

A: Yes, we issued an information notice giving the names. We decided not to publish the amounts in order to avoid a lot of discussion and controversy among the members. Now, if they wanted to discuss it themselves, that was up to them. We did not want a lot of mystery connected with it and we decided it was important to let the people know in the organization. OPM recommended this procedure, as I recall.

Q: Do you agree with that?

A: Yes, I think it is appropriate. I think OPM must have a system to monitor, follow-up, and be assured that fairness is being exercised. GAO can monitor this program for the Congress. If agencies do a poor job, then OPM should deal with them on an individual basis.

I also think that the Congress ought to be willing in the foreseeable future, certainly if the economy tends to improve, to remove the salary ceiling in some form to provide for reasonable compensation. I don't know why a group of government executives that is getting bigger every year as the ceiling compression increases should be expected to support the entire fight against inflation. This is not happening in the private sector. Corporate executive salaries are not being held down; they tend to move right along with the economy. So I think it is very unfair to senior officials in the Federal government. We have approximately 1,300 officials in the Internal Revenue Service at seven different management levels making the same salary. In the total Federal government, I believe there are over 30,000 now. It becomes very dif-

ficult to motivate and to cause them to want to take positions with greater responsibility without a salary increase. So as a result of this I think not only will the government suffer at this level, but I think bright, young people coming out of college and seeing this situation may be reluctant perhaps to cast their lot with the Federal government. Oh, you can always fill the jobs, but are you going to fill them with the caliber of people that the government needs? I think that is the important issue. I do think that OPM has to continue to work very hard with the Congress to try to get benefits for this group of employees.

Q: Do you think that the Ethics Act and the financial disclosure laws are having much effect on selecting managers?

A: It's difficult for me to evaluate it, not having been on the outside. I think when the Ethics Act was enacted there were a number of people who did leave the government just prior to the effective date in order not to be covered by it. In the Revenue Service the Assistant Commissioners and myself are covered by the ethics bill. I would think that there may have been some overreaction in the development of that legislation in the post-Watergate period. And I suspect that this legislation may be modified in the years ahead.

I think it does make it difficult to recruit people coming into the Federal government if they are in their 30's or 40's and have a lot of years ahead of them. They may be somewhat reluctant to enter government service for three or four years, knowing that they are going to be handicapped when they leave. That's probably a factor today in selecting executives. I don't believe it has had an adverse affect on our agency; but I think it could in the years ahead if the salary ceiling and the reduced number of bonuses continues for several years.

Q: How do you feel about the Senior Executives Association?

A: We can't take an official position on this organization, and have not discouraged or encouraged people to affiliate. I joined. The organization was founded by a group of officials in IRS and I think that there is a real need for this type of organization. In fact Scotty Campbell mentioned in a meeting over a year or two ago that the only group of people in the Federal government that are not really represented are the senior group. There have been organizations over the years but they were never very effective in dealing with our problems. I think if the SEA can continue to grow it will be a good thing for executives. They need to get 50% or so of the SES to be members of the Association, so that they can have the kind of impact that will make people on the Hill stop and listen. I think the vast majority of our executives do belong and I believe they have members from 70 to 80 different agencies. They are starting to work very hard to be a force before the Congress in terms of legislation. I believe that the Senior Executive Association is a very professional organization that can be helpful in the years ahead.

Q: Do you have any feedback about whether merit pay is really having any results in productivity? Have you paid out?

A: No. We have not. We had a six month simulation period where we made a mock payout. We developed our program, tested it for six months, revised it and I think the plan is at OPM now for final approval. We have pretty well worked out the rough spots and we'll be making our first payout this fall: This is a very important area, an important part of an organization. These 5,000 people out of 87,000,—the grade 13's, 14's, and 15's, the first line and mid-managers—are going to determine whether this organization operates efficiently. So I think it is important that we have a fair program, that they're all treated fairly and that those who really work hard and produce are awarded accordingly. I have high hopes for this program. I think it has possibilities but it is going to take a lot of tender loving care to make the system work. It's going to take two or three years to adequately evaluate the program's value.

Q: One last question. When you got your Distinguished Rank Award check, was it before or after taxes?

A: After. In fact, the check was decreased, as I recall, over $7,000. The award was a little less than $20,000. State taxes and Federal taxes took quite a bite and in preparing my return for 1981 now, I've noted that there wasn't enough tax deducted; so there will be an additional amount to pay.

Q: Maybe they could pay you the amount of your bonus over two or three years, . . . like on some athletes' contracts.

A: That would be fine, but the law doesn't provide for that. We were very fortunate, I believe, at the Revenue Service this year. There

[illegible] bonuses. So we fared very well with the Presidential Awards. It's just that we have so many unhappy and deserving officials in that other 80%.

L.G.T.

THE FIRST YEAR

By Steve Rappold

On October 5, 1980, the Civil Aeronautics Board converted 89 percent of its GS-13, 14 and 15 employees to the Merit Pay System, making it one of only eight agencies to implement merit pay in 1980.

Although it will take some time to see the long-range effects of this pay-for-performance system, it's important to examine the first year under merit pay to prepare for next year's payout. And perhaps our experience will alert other agencies to potential problems when they make the conversion.

Our implementation project started with strong support from top management for all of the Civil Service Reform Act changes. CAB's unique position of facing sunset (it will go out of business in 1984 under the Airline Deregulation Act) provided the incentive for implementing merit pay as soon as possible; we viewed it as an effective way of rewarding our best employees and discouraging their early departure due to our sunset.

In June 1979, a task force of agency managers and personnel staff began to hammer out performance appraisal and merit pay systems which could be implemented that fall. At that point, few agencies had gotten started on merit pay and the Office of Personnel Management was just completing Part 540 of their regulations. We began by reviewing everything OPM had published, as well as the appraisal and merit pay systems other agencies were putting together.

By September we had completed an appraisal system and merit pay plan which we felt were suited to our needs. We then identified the positions that met the criteria for coverage and notified the employees who would be converted. We ultimately included 221 of 250 positions at GS-13, 14, 15. It is interesting to note that, in spite of the controversy that surrounds merit pay, and difficulty in applying the definitions of *"supervisor"* and *"management official"* found in the Reform Act, none of our employees grieved the coverage determinations.

In October, we began to train all supervisors in the new systems and to brief our other employees on how they would be affected.

By January 1980, supervisors had completed performance plans and employees were at the start of an appraisal period that would end on September 1.

Steve Rappold is merit pay system manager at the Civil Aeronautics Board.

System Operation

Our system requires supervisors to assign an overall performance rating at one of eight levels. Although there are five basic levels—*exceptional, exceeds successful, successful, minimally satisfactory* and *unsatisfactory*—the *exceeds successful* and *successful* ratings are divided into two and three sublevels, respectively. The average rating within each organization determines the range of pre-established point values to be used. When the average rating is *successful* or lower, we assign points at a 4:1 ratio (4 points for *exceptional*, 1 point for *successful 3*). The span of points decreases to a 2:1 ratio when the average is *exceeds successful* or higher. The "sliding scale" that provides the point ranges compensates for skewed performance rating results.

An employee's grade level and position in the pay range are also considered in the calculation process. The grade level factor ensures that increases recognize salary differences for GM-13s, 14s and 15s. Range position factors of 1.00, .87 and .75 are applied to the lower, middle and upper thirds of the pay range for each grade. These factors serve to accelerate the rate of increase for employees who are in the lower or middle third of the range. This ensures that the best performers who are at the lower salary rates receive increases which enable them to rise quickly through the rate range.

Grade level factors, range position factors and points awarded for performance are multiplied to arrive at the total award points for each employee. The points are then totaled and divided into the merit pay pool to arrive at a dollar per point value. The dollar increase for each employee is then figured and added to the employee's starting salary and automatic portion of comparability. Adjustments must be made so that the new salary is between the minimum and maximum for the employee's grade. Funds which are not used because of these adjustments must be returned to the pool and calculations redone until at least 95 percent of the pool (or whatever percent between 95 and 105 the agency has targeted to use) is expended.

Grade/ Step	*Performance Level*	*Award Points*		*Grade Level Factor*		*Pay Range Position Factor*	*Total Points*		*Dollars Per Point*	*Merit Increase*
14/4	ES-2	2.05	×	1.182	×	.87	= 2.108	×	$1,236	= $2,605

Old Salary		*1/2 Comparability*		*Merit Increase*		*New Salary*
$38,184	+	$1,737	+	$2,605	=	$42,526

Results

When the appraisals were completed in early September, we found the following distribution of ratings:

	Employees	Increases
Exceptional	19%	11-18%
Exceeds Successful 1	42%	9-15%
Exceeds Successful 2	19%	9-14%
Successful 1	12%	8-11%
Successful 2	6%	8-10%
Successful 3	2%	8- 9%
Minimally Satisfactory	0%	—
Unsatisfactory	0%	—

Although a high percentage of employees were rated at the top performance levels, this distribution was not unexpected, since this group represents some of the agency's best employees. (Almost half were promoted within the past two years.) Undoubtedly, some ratings also were made on the high side because of uncertainty about the increases that would result.

When all of the appraisals were received, we ran two computations. The first used a single merit pay pool for all of CAB's merit pay employees; the second used separate pools for each office. (Those with fewer than 10 employees were combined.) Pools were calculated using factors furnished by OPM and were based on the merit pay population in each office. Although there are advantages to both approaches, we decided to use separate pools. Of course, this meant that increases were not the same in each pool because of differences in the distribution of ratings. (An *exceptional* rating in one pool resulted in a 17.84% increase, but only 15.68% in another.) On the other hand, the increases were directly related to the performance distribution in each office and the manager who had rated all employees high would see the result in the payout.

Here are the results of our merit pay distribution—

- Increases ranged from 17.84% to 7.64% (including the automatic half of the 9.1% comparability increase).
- The average increase was 12.21%.
- Approximately 8% received an increase of at least 15%, while 21% received at least 14%.
- Approximately 80% received increases equal to or greater than they would have received under the General Schedule step system (considering the annual value of a step increase).
- Approximately 9% received increases below the amount of full comparability (9.1%).
- The number of merit pay employees at the pay cap ($50,112) increased from 13 to 49.

Although our performance ratings appear to be skewed towards the top, our system provided a significant range of increases. While no one was rated as minimally satisfactory, those who received less than 9.1% comparability have lowered their position in the pay range and received a clear indication of their relative performance level.

We also made significant use of cash awards to supplement our merit pay distribution. Awards which ranged from $100 to $2,000 (average amount, $480) were given to 47% of our GM employees, in some cases recognizing employees who could not receive a merit increase because of the pay cap or the limited salary range.

Overall, we feel that the conversion to merit pay was successful and feedback from supervisors and employees has been favorable. Although merit pay worked well the first year, there is room for improvement, particularly in the performance standards and evaluating employees against them is a difficult—though not impossible—task. It demands that supervisors devote time and attention to developing and applying new skills.

Suggestions

- *Test the system.* A dry run that requires supervisors to rate employees and a test of the computation system is essential. The results should be publicized so that people know what to expect. (And don't be surprised if final ratings are considerably higher than those resulting from the dry run: If supervisors discuss test appraisals with employees, the level of performance should improve. You can also expect supervisors to be more liberal with ratings when they form the basis for actual pay adjustments.)
- *Train supervisors and employees and keep them informed.* Merit pay is complicated; if it is not clearly explained to employees, they will rely on misinformation and rumor.
- *Notify employees of their new salaries as soon as possible.* The regulations permit retroactive payments as late as December but employees will want to know soon after or even before the effective date.
- *Employees must be notified of their salary increases by SF-50, Notification of Personnel Action.* This will not tell them how the increases were computed or what adjustments were made. We attached a detailed explanation to the employee's SF-50 and were available to answer employees' questions.
- *Be prepared for an increase in performance appraisal grievances.* Although merit pay determinations cannot be grieved, the performance appraisal on which they were based can. We were able to handle the four grievances we received, but a large number would have required more resources than were available to handle them.
- *Manage the appraisal process to produce a reasonable distribution of ratings.* This will ensure that those few employees who should be rated at the top—or bottom—of the rating scale can be given increases that clearly recognize their level of performance.
- *Aim for simplicity in developing a system.* The computation process can easily become so complex that the relationship between pay and performance becomes obscured.
- *Don't expect a smooth transition.* Unforeseen problems are sure to occur when a completely new pay system is installed and it will probably take several years until merit pay is accepted to the same extent that the GS system is accepted.
- *Remember that the goal of merit pay is to set salary levels—not just salary increases—on the basis of performance.* Within the shortest possible period of time, merit pay employees who are at the same grade and performance level should be at the same salary level. The complicated features of a merit pay system tend to obscure this goal but an understanding of the real purpose of merit pay is essential to its success.

ABOUT POSITION DESCRIPTIONS

By Dina McCarley

How to Plan and Write a PD

Before action can be taken to appoint, transfer, promote, reassign or demote someone from a Federal government job, a formally established position description (PD), classified in accordance with laws and regulations, must exist for the job.

A PD states the principal duties, responsibilities and supervisory relationships of a position sufficiently and clearly enough to provide information necessary to properly classify it.

Though PD's are primarily used for classification purposes, they have other functions as well. PD's can help determine qualification requirements in recruiting, placement and promotion; detect duplication of work or overlapped duties; inform applicants about prospective responsibilities; analyze training needs; determine standards of performance; assign performance ratings; and analyze recommendations for incentive awards. Because PD's are not only supporting documents for payroll purposes, but affect so many personnel processes, the importance of clear and accurate statements is paramount.

Too often, positions and their descriptions are products of reaction, rather than planned action. Because managers work under pressure, there is seldom time to reflect on a total office picture or to organize the workload to fulfill its responsibilities. The result? Work may be organized through a process of one-at-a-time decisions that meet immediate and cosmetic needs only. Day to day decisions become more difficult (and less related to the total picture) when you must consider quality of performance, etc. In fact, the ultimate decision may wind up being entirely subjective, based on the personality of the person in the position, rather than objectively based on the needs of that position. When prompted by urgency, such decisions do not reflect true consideration of the organization's needs.

The Classification Act

The first Classification Act was passed in 1923. It contained three basic principles: (1) Classification shall be based on the duties, responsibilities and qualifications required for the position; (2) There shall be equal pay for substantially equal work; and (3) Differences in pay shall be in proportion to differences in the difficulty, responsibility and qualification requirements of the work performed. Additional improvements in the classification and pay system resulted from the Second Classification Act, which was passed in 1949. The Act established the General Schedule (GS) as the basic compensation schedule, and provided for 18 grades with salary ranges within each grade except GS-18. Subsequent changes in the law have made only minor adjustments to the principles established in 1923 (see 5 USC 5101).

Over the years, there has been criticism of the large amount of paper work involved in position descriptions. True, PD's can be unwieldy and complicated. But there are several reasons for this.

For one thing, writers have often included, unnecessarily, general information about the occupation and the organization in which the position exists. The classifier is expected to be familiar with the activities, methods, practices, techniques and terminology of the occupation concerned. A classifier who is not familiar with an occupation is expected to seek clarification from subject matter specialists, classification standards or other sources. Supplemental information on the functions, programs and procedures of the organization in which the position is located need not be included either, provided the information is available elsewhere, such as in organizational charts or agency manuals.

Another reason PD's have become too complicated is that in the past PD writers were sometimes uncertain exactly what information was needed, since required standards were adapted to differences in occupations. In one occupation, for example, the critical elements were the Nature of Assignment and Level of Responsibility. In another, they were the Nature of Assignment and Level of Responsibility, but also included Technical Demands, Supervisory Controls, Guidelines, Contacts and Qualifications Required.

The Factor Evaluation System

For managers, classifiers and employees to more easily understand classification and write position descriptions, the Factor Evaluation System (FES) has been introduced government-wide. It is an objective, quantified approach to classification. Positions covered by FES standards must now be written in what is called the factor format, rather than in the previous narrative one.

The FES is really a method for assigning grades to positions on the basis of their major duties, responsibilities and qualifications required. Under FES, these include nine evaluation factors: knowledge required by the position; supervisory controls; guidelines for the work; complexity of the work; scope and effect of the work; personal contacts; purpose of the contacts; physical demands; and work environment.

The FES is based on thr ponents built around thes tors; the *primary standa* the levels of factors for p broad terms, and assigns value for each level withi tor definition; *factor level tions* translate general co the primary standard to s occupational information using the vocabulary of that occupation; and *benchmarks* are representative descriptions of actual work situations at different grade levels within the occupation.

The FES factor format is the distinctive format you use when you write PD's for positions covered by FES classification standards. It consists of a brief listing of the major duties of the position, followed by a description of those duties in terms of the nine evaluation factors.

The value of the FES format lies in the ease it provides for determination of position grade levels, since the PD's you write may now exactly match written classification standards. The format also allows you to build a job from foundation to finish using an equitable point system to indicate the difficulty levels of the position.

While writing a PD, it's a good idea to keep in mind just where it fits into the overall classification process. After your job of writing it is completed, the PD goes to the personnel office where specialists

Begin by analyzing what your office needs are, what the job in question requires.

As you design the position, you should ask yourself a number of questions: What will be the two or three major functions that make up the purpose of this position? (Do not confuse the function or role the job will play in the office with its actual tasks or duties.)

What skills and knowledge are needed to perform the major duties of the position? What kind of supervision will be necessary? How much independence and latitude to act or make decisions will be allowed? What will be the result of actions taken by this employee?

A good description is a straightforward presentation of the work of the position in clear, easy to understand language. General, indefinite terms, vague impressions, unnecessary detail and repetition should be avoided. No special words or phrases or "bureaucratese" will enhance accuracy or completeness.

The following general tips may help:

1. *Be factual.* See that all the facts about the position are known before attempting to describe it.
2. *Be objective.* Do not make contentions or draw conclusions, but prepare a concrete, concise word picture of the work performed.
3. *Be direct and specific.* Write the description in simple and definite terms. Avoid ambiguous words like "assist," "handle," "examine." Instead, use words that show just what tasks or processes the assistance, handling or examination consists of, and their purposes or results.
4. *Refrain* from characterizing tasks broadly as "difficult" or "complex." Instead, show the degree of difficulty or responsibility by facts rather than adjectives.
5. Be sure the position description is a *true statement.*

Signing the Position Description

Since position descriptions play not only vital but multiple roles in your organization, remember to think about exactly what you are certifying as you sign your name to them. To focus attention on the importance of the statements and information in official position descriptions, a certification statement is required:

I certify that this is an accurate statement of the major duties and responsibilities of this position and its organizational relationships, and that the position is necessary to carry out government functions for which I am responsible. This certification is made with the knowledge that this information is to be used for statutory purposes relating to the appointment and payment of public funds, and that false or misleading statements may constitute violations of statutes or their implementing regulations.

Keep in mind that one part of your position classification specialist's job will be to resolve any substantive questions that arise concerning the accuracy of the description you have certified.

Once a position is described and properly classified, it won't necessarily remain so. Classifications can become obsolete and inaccurate when responsibilities and duties change. The changes may be gradual and unintentional or the result of planned management action, such as reorganization. Some changes in duties call for a higher or lower grade level. Descriptions are not revised for every minor change, but when the changes are substantial, they must of course be updated.

If you believe your position description is out of date and needs revising, talk it over with your supervisor. If you are the supervisor, and have questions on the need for a new description, your personnel office can help you.

A pamphlet, *How to Write Position Descriptions Under the Factor Evaluation System,* PS-27, provides detailed instructions on preparing Factor Format PD's. It is available through the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. Stock Number 006-000-01054-7. $2.00.

FES Factor Format for PD

Major Duties:

Factor 1. Knowledge Required by the Position
- A. Nature and extent of information and facts and/or level of skill needed
- B. How these knowledges and skills are used in doing the work

Factor 2. Supervisory Controls
- A. How the supervisor assigns work
- B. Responsibility of employee in carrying out work
- C. How work is reviewed

Factor 3. Guidelines
- A. Nature of guidelines
- B. Judgment needed to apply guidelines or develop new guides

Factor 4. Complexity
- A. Nature of assignment
- B. Difficulty in identifying what needs to be done
- C. Difficulty and originality involved in performing the work

Factor 5. Scope and Effect
- A. Purpose of the work
- B. Impact of the work product or service

Factor 6. Personal Contacts
—Kinds of people with whom there are contacts (except supervisor)

Factor 7. Purpose of Contacts
—The reasons for the contacts in Factor 6 above

Factor 8. Physical Demands
—Nature, frequency and intensity of physical activity

Factor 9. Work Environment
—Risks, discomforts, or unpleasantness imposed by physical surroundings

Dina McCarley is a writer in the Office of Public Affairs, OPM.

EIGHT AGENCIES LINK PAY TO PERFORMANCE:

WILL MERIT PAY WORK?

The current political and economic climate demands that the Federal government tighten its belt: cut down on regulations, eliminate unnecessary programs, freeze job opportunities, and continue limitations on senior officials' pay. More and more voices can be heard urging restrictions or even reductions in Federal and municipal employee wages. Equally strong voices are calling for pay increases comparable to private industry raises and adjusted to spiralling inflation.

In the midst of this compensation controversy, the fledgling Merit Pay System is nearing its mandated, government-wide implementation date. By October 1, 1981, all Federal Departments and agencies must have merit pay plans in effect for an estimated 135,000 GS 13-15 supervisors and management officials.

By Efstathia A. Siegel

Designed by Congress to directly link pay to performance, merit pay addresses the problems of employee motivation and productivity through salary increases. At the same time, it embodies the concept of equal pay for equal performance by establishing a salary process where employees of the same grade in the same organization, given comparable performance ratings, will receive the same pay. This performance-based pay system is a departure from the General Schedule, which bases its salary increases on length of time in grade.

Before merit pay, this "time-in-grade" system prevailed. As conceived by Congress, the General Schedule system also allowed managers to make pay increase decisions based on an employee's performance. It provided for yearly comparability increases (so-called cost-of-living increases), within-grade increases and quality step increases, in addition to an employee's base salary. If the system had been used as intended, a manager could have withheld within-grade increases or given additional quality step increases to deserving employees.

But the "time-in-grade" system was not used as intended. As congressional studies have shown,

within-grade increases came to be viewed by employees as a right. The appeals process, to which all employees were entitled, proved too costly and time-consuming for supervisors to often challenge this "right." The system appeared to entitle employees to within-grade increases, since it was up to supervisors to prove unsatisfactory performance in order to deny them.

And the quality step increase (QSI) was granted to less than 2 percent of mid level employees, making it ineffectual; because supervisors were not *required* to ever review an employee's performance for a QSI, the majority didn't.

Under merit pay, performance appraisals are the bedrock upon which increases are based. In order for the new system to work, performance appraisals must be viewed as an integral part of the management system, not as an end-of-the year personnel chore that supervisors complete as quickly as possible. Performance appraisal ratings determine merit payouts and are based on performance standards set well in advance of payout time.

Merit pay employees compete, on the basis of quality of performance and organizational contribution, with others in their unit or division. Funds for merit pay increases come from fixed pools of money derived from half of the comparability increase (4.55 percent in FY 1980) and all of the within-grade and quality-step increases that would have been granted by the agency under the old system. (By law, a minimum of 50 percent of the comparability increase must be granted to merit pay employees.)

Although the Office of Personnel Management (OPM) must approve each agency merit pay plan, agencies have the authority to devise plans to meet their own specific needs. Each agency must explain procedures for determining merit pay awards based on individual and organizational performance; it also must explain procedures for cash award programs, an additional employee incentive to reward outstanding performance. Each plan must include training for those who will make merit pay decisions and a method for informing merit pay recipients of how the system will work.

Eight Agencies Pay Out

In October, 1980, eight agencies put merit pay plans in effect: Civil Aeronautics Board (CAB), Commission on Civil Rights (CCR), Environmental Protection Agency (EPA), Farm Credit Administration (FCA), Metric Board, Office of Personnel Management (OPM), Selective Service System (SSS), and the Small Business Administration (SBA).

The plans initially cover a little over 2,200 employees. Most agencies used a point system to convert performance appraisal ratings to a pay increase. Points were given based on performance and the available fund was divided by the total points awarded to determine the dollar value of a point. The average payout at all eight agencies exceeded the 9.1 percent comparability raise GS employees received; this is to be expected, since merit pay money also includes within grade and QSI money.

The Selective Service System paid out the highest average increase at 12 percent of base pay, while SBA paid out the lowest average increase at 11.4 percent. EPA awarded the single highest increase, 25 percent of base pay to a GS-15 step 2, but SBA actually paid out the largest amount—about $9,200 to a GS-14 step 1. This occurred because 25 percent of base pay for the EPA GS-15 would have exceeded the pay cap on Federal salaries of $50,112. The CCR, EPA, FCA, OPM, and SBA paid out the lowest increases, around $1,440, or 4.55 percent of base pay for a grade 13, which is the automatic portion of comparability.

PAY

Agencies	Number of Employees	Percent of Total GS 13-15	Highest Total % Increase	Lowest Total % Increase	Percent of Employees Receiving less than Full Comparability (9.1%)	Average Percent Increase	Type of Conversion
CAB	221	88	18	8	9	11.9	Total
CCR	47	54	20	4.55	23	11.6	Total
EPA	488	16	25	4.55	8	11.5	Partial
FCA	62	77	18	4.55	13	11.9	Total
MB	3	17	13	9	0	11.8	Total
OPM	571	45	20	4.55	9	11.8	Partial
SBA	805	80	24	4.55	4	11.4	Total
SSS	15	68	17	10	0	12	Total

FCA is the only agency using a full scale assessment of organizational accomplishment which affects merit increases, while EPA appears to have used a similar pay mechanism with the performance assessments of individuals rather than organizations.

EPA and OPM estimate they will convert approximately 70 percent of their employees to merit pay in 1981.

Performance Distribution by Percentage of Employees

Agencies	Best Performance 5		4		3		2	Poorest Performance 1
CAB	19	42	19	12	6	2	0	0
CCR	4		32		57		6	0
EPA	30		55		14		1	0
FCA	2		29		59		10	0
MB	6		67		33		0	0
OPM	3		55		41		1	0
SBA	1		17		78		4	0
SSS	0	7	13		80		0	0

What will eventually happen is that the system will equalize the salaries of employees in the same grade with similar performance levels: a "going rate" will be paid to those doing similar jobs at similar performance levels. As a result, an employee's position in the pay range will reflect how well the employee does the job, rather than how long he or she has been in the grade. What is new is that it is now possible for an employee rated outstanding to advance quickly to the upper portion of the grade range. (In the case of the GS-14 at SBA who received a 24 percent increase, a jump of almost 5 steps occurred.)

Agencies can place limitations on base salary, however. EPA, OPM, and FCA used a performance salary ceiling. A salary ceiling is the maximum an agency is willing to pay for a job to be done at a specified level of performance. Under this method, an agency can determine what doing a job well is worth in terms of overall base pay.

Once the eight agencies' payout data became available, OPM sent a task force to three of them to study the results and to examine the central issue of inflated performance ratings. The results of this preliminary study and a study of the other five agencies will be provided to Congress, which oversees progress of the system.

As Figure 2 shows, CAB and EPA rated 80 percent or more of their employees in the two highest categories, while none of the eight agencies rated any employee in the lowest, unsatisfactory, category. These high rating skews represent lower pay increases than expected for employees in those agencies with outstanding performance ratings, and full comparability or less for employees rated as satisfactory. Since the amount of money in the merit pool is fixed, any organizational pool which had uniformly high ratings also received relatively lower increases for the high ratings.

Not surprisingly, some agencies felt that the sizes of the merit increases did not accurately reflect the performance ratings. According to the OPM study, this occurred in those agencies where lack of strong managerial oversight was exerted in setting challenging standards for employee performance appraisals, i.e., where it was fairly easy to receive an outstanding rating based on the written standards.

Employees under merit pay in agencies and Departments which do not have approved performance appraisal or merit pay systems in place by October 1, 1981, will receive only half of the yearly comparability adjustment. This adjustment is mandated by law and does not represent a merit based increase. Organizations still in the process of developing their plans may benefit from the experience of the eight agencies' first payout, summarized below:

- *Management should set the writing of performance appraisal standards as a top priority. This is management's chance to set down clearly what is expected from an employee in doing a job. How well the employee does is reflected in his/her raise.*
- *Figure out a merit pay plan now, and test it. A dry run lets raters and managers see how their performance appraisals translate into merit dollars, and make changes accordingly.*
- *Allow time for employees to work under these standards. For the dry run, standards should be in place 8 to 10 weeks so that the supervisor can make a reasonable judgment on performance.*
- *Review the reviewers. Differences in rating philosophy among supervisors in a pool was a problem in most agencies in 1980. Comparisons of how well merit employees did in relationship to each other is inevitable. Consistency in merit philosophy is essential to safeguard against charges of bias. It is up to top management to review ratings and criteria to determine consistency.*

SURVIVING THE BUDGET WARS,

OR

HOW PERFORMANCE STANDARDS CAN TRIM FEDERAL SPENDING

by Peter Durant

The uneasy truce between Federal program managers and the army of analysts who guard budget, personnel, and administrative systems was shattered on January 20, 1981. At the Office of Management and Budget's prodding, departmental staffs bombarded almost every program along the Potomac with proposals for funding cuts. While many managers were hurt, many more were prepared. They supported the call for cuts, but pointed to the astronomical cost of administrative overhead as a more appropriate target for trimming.

The Budget War of 1981 had begun.

Suing for Peace

The two sides were never really at peace. Whether staff advisors came in the guise of auditors, evaluators, budget analysts or inspectors general, managers saw them as the enemy within. The operating principle remained the same: an analyst's gain was a manager's pain.

The equation must be changed. The Federal budget is being reduced—swiftly and significantly. If program managers and staff analysts bloody themselves too badly in deciding how to accommodate change, the only real victim will be the public.

In any war, there will be casualties. The purpose of this article is to suggest the basis for a treaty that can be used to control the mortality rate.

The mechanism for such a treaty between managers and analysts—employee performance appraisal—already exists.

The Civil Service Reform Act of 1978 requires agencies to appraise employee performance on the basis of objective, job-related criteria. Specific levels of on-the-job achievement, called performance standards, describe which activities deserve reward, and which do not. By defining objectives and evaluation criteria, performance standards provide both the manager and the analyst with important tools for assessing how effective an organization has been in meeting its goals.

By October 1981, Federal agencies will have implemented performance appraisal systems. Properly focused, those systems can be used to support OMB and Congressionally directed spending cuts.

To Cut Or Not To Cut

Budget and personnel ceiling increases have traditionally been the bureaucracy's symbols of program success. As Aaron Wildavsky wrote *(The Politics of the Budget Process):* "If politics is regarded in part as conflict over whose preferences shall prevail in the determination of national policy, then the budget records the outcome of this struggle."

Favorable audit reports and Congressional praise have paled before the reality of resource allocation. Increased funding meant program progress; last year's budget meant bare survival; reductions meant the demise of a manager's career. Survival in the Budget Wars depends upon abandoning the fiscal success yardstick. Managers and analysts must be rewarded for cooperatively reducing program budgets, rather than expanding activities and increasing their funding.

Performance standards provide a means for redefining current reward structures. Agency managers can use them to describe, in terms that are appropriate for individual situations, the criteria necessary for ordered reduction of budgets.

(Careful attention must be paid, however, to the message sent. Standards that require increased activity levels can inadvertently place unwanted strain on scarce funds.)

A Manager's Performance Standard to Avoid

Performance Element	*Unsatisfactory*	*Satisfactory*	*Outstanding*
Effective resource management through direction, delegation, and guidance to subordinates and contractors.	Organizational requirements are not met because of inadequate guidance.	Program guidance provided in clear, written form to all staff.	Innovative approaches are used to efficiently manage resources.
	Three or fewer contract reviews are completed.	Four contract reviews completed.	Six contract reviews completed.
	No cross-training details.	One cross-training detail is approved.	Two cross-training details are approved.

An Analyst's Performance Standard to Avoid

Performance Element	*Unsatisfactory*	*Satisfactory*	*Outstanding*
Conduct a management evaluation program.	Only one evaluation is completed.	Two evaluations are completed and 50% of compliance actions are followed.	Five or more evaluations are completed, with all compliance and 75% of other recommendations followed.

The agency which permits such standards will suffer from their inadequacy. Three factors in them will inhibit cost reduction:

1. Both performance standards reward increased levels of activity without being tied to either outcomes or budgets. By emphasizing *numbers* of contract reviews/evaluations, rather than the *utility or cost* of those activities, the standards foster increased spending.
2. The manager is provided with no explicit rewards for reducing spending levels; rather, there is a vague admonition to be "effective."
3. The analyst is rewarded for the percentage of compliance actions adopted without regard to the value of the recommendations.

When the agency head sits down to allocated resources at budget time, the performance standards will not provide any valid data upon which to make difficult budget decisions. Nevertheless, the lack of such information may not deter either the manager or the analyst from claiming "success" while clamoring for a larger piece of the budget pie. (Under such circumstances, it is not surprising that performance appraisal once more "takes it on the chin" among those who see the process as a paper exercise.)

But Wait!

That need not be the case. Properly used, performance appraisal can promote efficiency while helping to remove the stigma from receiving budget cuts.

A Manager's Performance Standard To Consider

Performance Element	*Unsatisfactory*	*Satisfactory*	*Outstanding*
Manage budget, personnel, and physical resources in a manner consistent with agency scheduled budget reduction for FY 82.	Budget and/or personnel ceilings are exceeded. No plan is prepared for accomplishing reductions while maintaining critical program functions.	Program goals contained in FY 82 budget submission achieved within planned spending level ($25.6 million).	Exceeds program goals within $25.6 million budget or Achieves program goals at a budget below $24 million.

An Analyst's Performance Standard To Consider

Performance Element	*Unsatisfactory*	*Satisfactory*	*Outstanding*
Conduct a management evaluation program which results in cost efficiencies in agency operations.	Evaluation cost exceeds results. Less than $500 thousand in agency savings resulted from adopted recommendations.	$500 thousand savings result from adopted recommendations. Cost reductions can be tracked in fiscal reporting system.	All reports describe options on where to obtain resources to implement recommendations. Adopted recommendations result in $750 thousand savings.

In both of the standards above, cost reduction is an explicit objective. The level of performance required is high—a necessary part of efficient government operations. The standards are designed to encourage decreased spending levels in several ways:

1. Both standards tie performance to specific resource levels which can be tracked and evaluated.
2. The manager can be rewarded for either increased effectiveness ("exceeds program goals") or decreased spending ("achieves program goals at a budget below $24 million").
3. With cost reduction as part of the evaluation process, the analyst is responsible for the difficult chore of identifying where resources can be obtained to implement recommendations. The chance of the budget increasing from well-intentioned, but costly, advice is lessened.

Managers and analysts now share a common objective—cost reduction. The manager has an incentive for seeking out the analyst's views on how to obtain cost efficiencies, and the analyst stands a correspondingly better chance of having reasonable recommendations adopted.

A Flag of Truce

The fierceness with which the budget battle is currently being waged will not soon diminish. An inflationary economy and a rising national debt can only heighten public demand for further Federal spending cuts. Facing such a future, agency managers and analysts have little choice other than to resolve intramural disputes over how best to accommodate policy changes mandated by OMB and the Congress.

Performance standards can provide action plans for achieving spending reductions. To succeed, the standards should be living documents: They must be revised when funds are reprogrammed and priorities shift, not prepared once and left to gather dust. As action plans and contracts, they allow an agency to adopt change tactics which simultaneously address the employee's and the organization's goals.

Cooperating to reduce funding may seem suicidal to some—especially when a manager's or an analyst's own office is taking the cuts. But efficient government operation is the best guarantee of survival in the Budget Wars. And performance appraisal can be a very important tool in obtaining that goal.

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EVEN MANAGERS HAVE MATH ANXIETY

Math anxiety strikes all levels of the working world, even managers and supervisors. Living in dread of being found out, they too experience the frustration of being unable to solve simple percentage problems and become convinced that when it comes to math they "just can't do it."

For those smitten with the fear of figures, Stanley Kogelman, author of *Mind Over Math,* has compiled twelve myths with some comforting reassurance. The myths are:

1. Men are better in math than women. Research has failed to show any difference in mathematical ability based on sex. However, women avoid math more than men do.

2. Math requires logic, not intuition. Not so. Mathematical intuition—that is, ideas about the answer or method of solution to a math problem—is important. Everyone has mathematical intuition, but some have not learned to trust it. It is amazing how often the first idea that "pops into your head" turns out to be correct.

3. You must always know how you got the answer. This misunderstanding stems from school experiences. The truth is, obtaining the answer to a problem and knowing how the answer was derived are independent processes. One involves intuition, the other logic. If you are consistently right, then you know how to do the problem. There is no need to know how to explain it.

4. Math is not creative. This is far from the truth. Creativity is central to mathematics; the creativity is not in the final answer but in the means you use to arrive at that answer.

5. There is a best way to do a math problem. Not so. A mathematical problem may be solved by a variety of methods. The best method is one with which you feel most comfortable.

6. It's always important to get the answer exactly right. Again, not so. The ability to approximate is often more important than getting exact figures. For example, financial projections are always based on approximations.

7. It's bad to count on your fingers. There is absolutely nothing wrong with using your fingers in doing arithmetic. In fact, most people find this to be very helpful, particularly under stress.

8. Mathematicians do problems quickly, in their heads. This is far from true. Solving new problems or learning new material is always difficult and time consuming. The only problems mathematicians do quickly are the ones they have done before.

9. Math requires a good memory. On the contrary, doing math is like speaking a foreign language; when you are fluent, you don't think about vocabulary or grammar. Knowing math means that concepts make sense to you and that rules and formulas seem natural. This kind of knowledge is also gained through experience and practice, not through memorization.

10. Math is done by working intensely until problems are solved. Actually, solving problems requires both periods of intense work and periods of rest. Getting away from a problem for a short time allows one's mind time to assimilate ideas and develop new ones. Often, on coming back to a problem, insights are gained that unlock the solution.

11. Some people have a mind for math and others don't. Belief in myths about how math is done leads to a complete lack of self-confidence. And self-confidence is one of the most important determining factors in mathematical performance.

12. There is a magic key to doing math. Not so. If there is one at all, it is overcoming anxiety about the subject, then using and applying the same skills used in areas in which one is most successful.

Kogelman suggests ways of dealing with math anxiety. First of all, identify and acknowledge any intense physical reactions such as headaches or sweaty palms. This helps to overcome such negative responses and frees oneself from them. Secondly, start slowly when tackling problems. Keep in mind basic principles and take small steps from easy problems to progressively harder ones. Confidence builds on each successful step. Intuition is a valuable tool; learn to trust it. After intuition comes logic and then the actual solution. Once a problem has been figured out, review it to clarify what was done and to gain greater understanding.

For math-anxiety free managers or supervisors, the ideas above can help in working with subordinates who have trouble with figures. Keep a line open for discussion of assignments which involve figures. Have a basic math book on hand. Never say "It's simple" or "You should know how to do this', it only leads to frustration and feelings of ignorance. A manager also can help math anxious workers by suggesting they take basic math courses at local colleges. In some companies and agencies such courses are given in-house. (*Supervisory Management,* September 1980.)

REDUCTIONS IN FORCE IN FEDERAL AGENCIES

Changes in program, lack of funds, decrease in work, reorganization, or the need to place a returning employee with reemployment rights may require a Federal agency to make a reduction in force. This means the agency would lay off, furlough for more than 30 days, displace, or demote some of its employees. Reduction-in-force (RIF) regulations procedures are set up under law so that these actions will be carried out in a fair and orderly way.

How the System Works

Reduction in force does not begin or end with layoff notices to employees. The agency must (1) decide the jobs to be affected (The agency decision to abolish one kind of job instead of another is not subject to review by the Office of Personnel Management); (2) determine which employees will lose or change their jobs; (3) determine whether employees who lose their own jobs have rights to other positions; (4) issue notices to the affected employees at least 30 days before the reduction is scheduled to take place; and (5) help career and career-conditional employees who are, or will be, displaced find other jobs. (The Office of Personnel Management has special programs to help.)

Deciding Which Employees Lose or Change Jobs

Competitive Area—First the agency fixes the competitive area (the geographical and organizational limits within which employees will compete for retention).

Competitive Level—Next the agency groups positions by competitive level (by type and grade of work). An accountant, for example, would not compete with a stenographer, since each could not ordinarily do the other's job.

Retention Registers—At this point the formula combining four factors mandated by law—type of appointment (tenure), veteran preference, length of service, and performance—comes into play.

Employees in the kinds of jobs to be affected (for example, GS-3 stenographers) are ranked on a retention register in three groups according to type of appointment (tenure):

Group I—Career employees who are not serving probation.

Group II—Career employees who are serving probation, and career-conditional employees.

Group III—Indefinite employees, term employees, status quo employees, and employees serving under temporary appointments pending establishment of registers.

Each of these groups is divided into three subgroups—AD for veterans with compensable service-connected disability of 30 percent or more; A for other veterans and B for nonveterans.

Within each subgroup employees are ranked by "service dates" which reflect their total Federal service (civilian and creditable military). An employee with a current "Outstanding" performance rating receives 4 additional years of service credit.

Selection of employees to be released from the competitive level begins at the bottom of the retention register, that is, with the employee in the lowest subgroup who has the latest service date.

Except under certain specified conditions, the normal retention-register order must be followed when employees are to be released from their competitive levels by separation, furlough, or demotion. Persons to be released out of regular order must be notified of the reasons and of their right to appeal the action to OPM.

Determining Rights to Other Positions

Employees in Group III have no right to another job. When they are reached for layoff, they can be separated.

When employees are in Group I or Group II and are released from their own job, they are entitled to a reasonable offer of assignment if their agency has a suitable job which they can take by bumping or retreat. Let's define those terms.

Bumping means taking the job that is occupied by an employee in a lower subgroup. An employee can retreat to—or take back—a job that he or she was promoted out of as long as it is occupied by an employee with a later service date in the same subgroup.

In changes between different grading systems, the reasonableness of an offer is determined by comparing designated pay rates for the jobs involved.

If there are no jobs to which a released employee has a right, the agency may separate the employee. Furthermore, if a reasonable offer is made and declined, the agency is not required to make a second offer and may then separate the employee.

If the agency determines that a veteran in the AD subgroup (with a compensable service-connected disability of 30 percent or more) is unable to fulfill the physical requirements of a position for which the employee would otherwise qualify for assignment, the agency must notify both the employee and the Office of Personnel Management. The employee has 15 days to respond to the OPM. The OPM makes the final determination on the employee's physical ability to perform the duties of the position.

Issuing Notices
Employees may receive first a general notice that some action must be taken to reduce force and that they are likely to be involved. This would be followed later by a specific notice of the impending action. Alternatively, employees may receive only the specific notice together with the effective date. The agency must issue to affected employees its *first* notice (whether general or specific) at least 30 days before the date set for final action. If the first notice is a general notice, the specific notice must reach the employee at least 5 days before the date set for action.

Helping Employees Find Other Government Jobs
Efforts to help find another Government job for Group I or Group II employees who are to be separated by reduction in force begin as soon as the employees are given notice and the agency knows that they will be displaced.

Agency Reemployment Priority List. Unless employees have refused an offer that would not involve a cut in grade or salary, their names go on the reemployment priority list. Group I employees go on the list for 2 years and Group II for 1 year.

Displaced Employee Program. In addition, the Group I or Group II employees may obtain special consideration for employment by applying under the Displaced Employee Program of the Office of Personnel Management.

Reduction-in-Force Appeals
One of the reasons for having a uniform system for reduction in force is to make sure that employees are treated fairly and in accordance with their rights. This means that the system must be administered carefully and properly by the agency. Employees are given the right to appeal in writing to the Merit Systems Protection Board (MSPB), an organization independent of the Office of Personnel Management, if they believe the reduction-in-force regulations have not been applied correctly in their cases. An employee may appeal at any time from the day after the effective date of the specific action being appealed up to 20 calendar days after the actual layoff or job change.

When the MSPB rules in favor of an individual as a result of a reduction-in-force appeal, the agency is required to restore the employee to the job either from which the employee was separated or to which the employee should have been assigned. Generally, the agency is also required to pay the employee any salary lost because of the improper action.

Reduction-in-Force in "Excepted" Pnsitions
Persons in "excepted" positions—jobs for which the Office of Personnel Management does not conduct open, competitive examinations—do not compete with those in competitive positions during a RIF. Nor do they have reassignment rights. However, an employee with competitive status who is to be separated by RIF from an excepted job may apply for special consideration under the Displaced Employee Program of the Office of Personnel Management.

Transfer of Function
Occasionally, a function of one agency may be transferred to another. When this happens, all Group I, II and III employees who become surplus to the needs of the agency losing the function have a right to transfer with the function. If this transfer of function causes a reduction-in-force in the agency gaining the function, the employees willing to transfer compete under the reduction-in-force regulations for retention in the gaining agency. Should no reductioo-in-force be necessary, the gaining agency picks up all employees who are willing to transfer. In any case, the employees who refuse to transfer with the function are subject to separation by the losing agency.

Further Information
For additional detailed information on this subject, see chapter 351 of the Federal Personnel Manual, available in your personnel office.

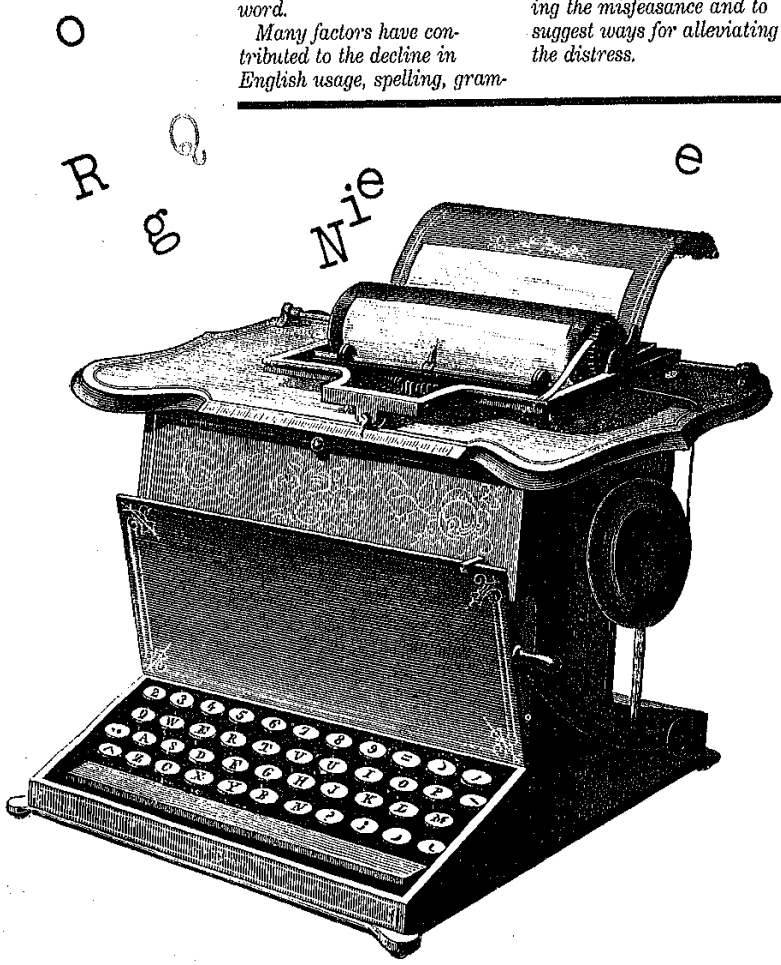
The information above is available in a separate pamphlet, Fed Facts 13, Reduction in Force in Federal Agencies, for sale by the Superintendent of Documents, Government Printing Office, Washington, D.C. 20402.

THE CLERICAL QUAGMIRE

by Michael L. Monroe

More than a thousand monuments, the written word personifies this capital city. However, as the monuments now show the deteriorating effects of environmental pollution, so too, does the written word.

Many factors have contributed to the decline in English usage, spelling, grammar, and punctuation in the Federal bureaucracy. This article will attempt to identify some of these. But the purpose is not solely to identify causes. It is to upbraid Federal leadership for ignoring the misfeasance and to suggest ways for alleviating the distress.



The serious decline in test scores among college-bound students has received wide publicity. However, little attention has been focused on their classmates who are destined to fill the clerical employment ranks. The lack of knowledge revealed in college entry examinations is accompanied by a similar lack of knowledge of office skills among high school graduates. We are inclined by social status preference to fix our concern more on the college-bound than on those who fill our increasing numbers of stenographer, typist, file clerk, computer aide, and related jobs.

Generally, the better school systems tend to be in affluent suburban areas. Most high school students in these communities are destined for college. Many students from inner cities, small towns, and rural areas drift into the working world upon high school graduation. Thus, the poorest students from the poorest schools may be over represented in the pool of candidates for clerical vacancies. The shortage of candidates aggravates the problem by reducing the ability of employers to be selective in choosing the most able person for a clerical position.

The enfeebling of clerical testing requirements and the greater legal, intellectual, and social acceptability given to diverse communication patterns may reinforce the feeling among prospective

employees that they are prepared to meet the clerical challenge. However, I know of no office where mountaineer, ghetto, barrio, or pidgin English is an acceptable means of official communication.

Affirmative action programs and upward mobility plans tend to raise the expectations of clerical employees. Some who cannot perform clerical tasks are encouraged to intensify their desires for greater prestige and more income. Few benefit from the limited number of technical and professional opportunities available, and the unselected may feel slighted or embittered when their careers seem stymied.

Supervisors may find it difficult to motivate clerical employees who may bear the scars of discrimination, may be ill-tempered due to their failure to achieve advancement, and may possess inadequate office skills. Some supervisors may feel that their own careers will suffer if they use incentives to motivate inadequate clerical employees. Fear of a discrimination charge may deter even the most dissatisfied supervisor from proposing remedial training or imposing sanctions against a clerical subordinate.

Clerical employees' function is to turn the efforts of the professional and technical staff into a final product that can be communicated to an organization's clientele. Collating, transcribing, typing, proofreading and filing may be tasks in the process of presenting an organization's work to both its friends and its foes. Clerical work demands great concentration, constant attention to detail, a high tolerance for tedium, proficient office machine skills, and a significant understanding of the English language. Without all of these characteristics, clerical workers cannot present the organization's product in a way that will accurately represent the efforts and funds expended. Poor clerical work can so devastate a document that it can bring disfavor upon even the most brilliant idea. To avoid this eventuality, the Federal leadership has devised a solution. The solution is shortsighted, expensive, frustrating, demoralizing, and self-defeating. The solution is to hold the creators of ideas responsible for all phases of their documentation.

Thus, professional and technical employees must devote their time and energy to clerical tasks. Scientists proofread their reports to correct misspellings, engineers spend time duplicating copies of plans, and division directors outdo one another catching split infinitives in regulations. The list of diverted efforts goes on and on. The taxpayers now pay $30,000 to $50,000 a year or more to have public servants perform clerical tasks, while the clerical employees relinquish more and more of the responsibility that has traditionally resided in their jobs.

Some bureaucrats appear to enjoy performing clerical work. However, most are probably reluctant participants. By imposing clerical duties on them, Federal leaders have derogated their responsibility and siphoned the creative instincts away from the highly paid staff. Taxpayers are charged for clerical work, but too often bureaucrats are required to accept an incomplete and error-filled version of it. Shall we be content with our fate?

In many offices, supervisors may possess a blind spot. They may fail to recognize that clerical workers are more responsive to a supervisor's requests than to those of subordinate professional and technical staff. This responsiveness may be due to a recognition of the boss's potential authority to punish and reward. Since professional and technical co-workers usually lack such authority, they may resort to begging, cajoling, and bribing the clerical staff in order to get things done. Supervisors who want to overcome their blind spot should make a special effort to consult professional and technical subordinates in selecting, assigning work, training, rewarding, and disciplining clerical workers.

The scores of personnel directors who are looking for ways to make positive contributions to the missions of their agencies can act. They can seek ways to inventory the clerical skills in their jurisdiction. They can devise specific methods for improving office skills.

Extensive resources and efforts have been spent on executive recruitment and training. A similar commitment to identify and train clerical employees is critically needed. Clerical employees constitute half or more of all Federal workers. Their great numbers and the fact that they have an impact on virtually all the other civil servants make their role vital to the larger purposes of government. Therefore, the Office of Personnel Management may want to take the lead in assessing the current quality of clerical support and in developing ways to improve it.

These efforts may not be glamorous, but if they lead to a small improvement, it will be appreciated by those who were hired to make and recommend decisions but who have found themselves detoured to a clerical quagmire.

Michael L. Monroe has served in personnel positions with HUD, the Navy, Army, and General Services Administration. He also taught and coordinated public administration training at the University of Connecticut.

Sh

I *mproving White Collar Productivity*

One of the major challenges to American industry in the 1980's, improving productivity growth, requires new approaches and techniques. Improving office productivity poses particular challenges because of difficulties in defining and measuring white collar productivity.

The American Productivity Center in Houston, Texas, will address the problems of definition and measurement in a study, "White Collar Productivity Improvement," (WCPI) scheduled this year. As reported in the March 2 *Business Week*, the study will be conducted by top professionals from business, research, government, and education.

What will make this study different from endless other data compilations? It will attempt to develop semi-standardized indices to measure white collar productivity and apply them on a broad scale. A data base of experiences and case histories will be developed and made readily available to organizations to let them know what other organizations are doing and how they are faring.

WCPI's goal is to improve productivity in its member organizations and "to generate the kinds of theoretical and practical tools that will help the U.S. solve its nationwide office productivity puzzle."

J apanese Methods, American Workers

Recently *Business International* took a look at the productivity performance of American workers in Japanese factories located in the United States and the difference in US/Japanese management styles.

BI reports the consensus of five major Japanese manufacturers is that "in terms of quality, products made in U.S. based plants still lag behind those turned out in Japan, but the gap is narrowing." A Sony plant in San Diego holds the company's world record in quality performance on one production line, and a Sanyo plant hopes to attain parity with its Japanese facilities by 1981.

BI found three important management principles which contributed to the high levels of productivity and quality which set them apart from their U.S. competitors.

- A stable work force maintained by a "no layoff" policy is attained by assigning production workers tasks such as cleaning the factory, painting, and repairing machinery during slow periods.
- A team effort is emphasized with all employees treated as peers rather than subordinates, no matter how junior, and recognized as important contributors to the company's success.
- Management, in order to discourage jealousy and empire building, has tried to develop generalist workers rather than narrow specialists. "They believe job rotation helps break down departmental conflicts and improve horizontal communications", according to the report.

P aper Pandemonium II

Believe it or not:

- Americans will spend 1.276 billion hours this year filling out 5,000 different Government forms.
- The work averages out to 5½ hours per man, woman and child.
- One half of the form filling hours are attributed to the Internal Revenue Service, 20% for the Department of Transportation, and 10% for the Department of Agriculture.
- If form filling work paid $10 an hour the payroll would total at $10.276 billion.

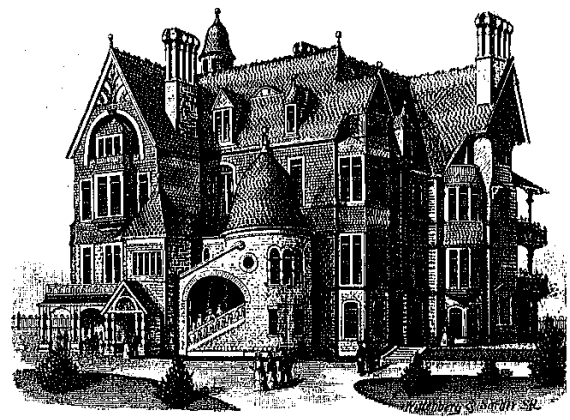
These statistics are based on a report issued by the Office of Management and Budget, January 18, 1981.

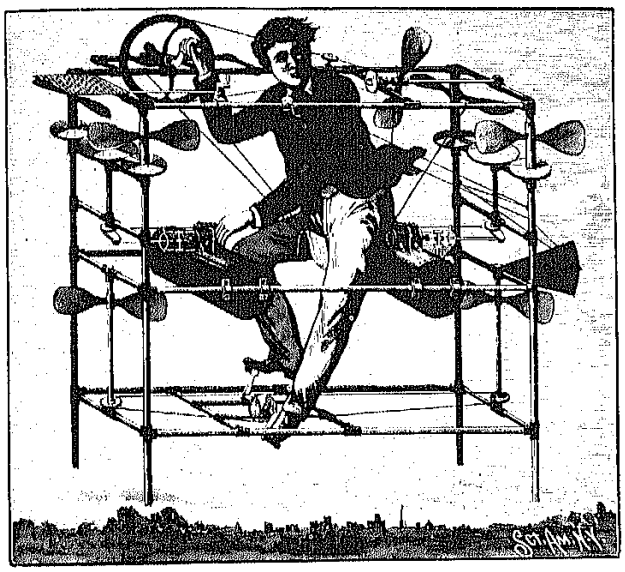
T elecommuting Workers

Telecommuting or working at home via a computer hook-up from the office is becoming an increasingly popular alternative to the office environment, according to *Business Week*, January 21. Experiments with this system are popping up all over this country. Control Data Corporation has 60 professional and managerial employees in a work at home pilot project. Advantages range from reduced turnovers and greater productivity to the increased amount of time telecommuting employees can give to their families. Another benefit is being able to employ handicapped persons to write computer programs without their having to come to the office.

Managers tend to be skeptical of the idea of supervising employees who work at home. However, resistance to this new kind of management has been overcome at the offices of F International Ltd., a computer services company offering written programs and completely designed data processing systems. Ninety-five percent of the company's staff works under the work at home arrangement. Only those with at least four years of computer experience are considered and home workers are carefully managed. Project managers often call the homes of employees to keep in touch.

By 1990, up to 10 million workers may be working at home via the computer.





Industrial Jet Lag

Industry's last working frontier, the midnight to eight a.m. or "swing-shift", is an economical method for running plants with machines designed for non-stop production. However, according to a *Fortune* December 15, 1980, article, those companies whose workers colonize the night may be breaking unhealthy ground.

While certain positive factors of freedom from bosses, reduced work loads, lighter commuting trafic, more casual working atmosphere and solitude beckon the worker, the night shift has many disadvantages which can be classified as "industrial jet lag."

Many night workers find themselves socially estranged from family and friends and physically wrung out. Research shows that a variety of problems arise from tampering with the biological nature of man—the circadian or natural 24 hour rhythms of the body—by shifting sleep patterns due to rotating work shifts. Gastrointestinal complaints head the list, followed by stomach ailments, ulcers, constipation and poor sleep patterns. Unbalanced diets, irregular eating times, overconsumption of alcohol and caffeine as well as tobacco also are common among night workers. These many factors lead to one common result: chronic sleep deprivation, fatigue, and inefficiency. In some plants catnapping often takes place.

Although statistics on U.S. late-night workers weren't tallied until 1973, current data show that 10 million or one-sixth of full-time working Americans (not including workers on rotating shifts) have such a schedule.

Subordinates Rate The Boss

Whether on forms or in an interview, annual performance appraisals can conjure up negative thoughts, and produce a somewhat less than satisfactory method of evaluation. In an effort to turn performance appraisal into a positive experience, Gulf Oil Corporation undertook an experiment whereby subordinates evaluated the boss.

An article in the November 1980 *Management Review* reports that Gulf sent a rating form developed from assessing key performance elements in the Senior Vice President's position to senior level people who had a meaningful perspective on the Vice President's job. To ensure frank evaluations, participants returned the forms anonymously; they were told that their identity would remain unknown and that the forms would subsequently be destroyed. Information was tabulated and summarized. To see whether job components were perceived differently, results from the corporate head office and field personnel were kept separate.

The Vice President did a voluntary assessment of his own strengths and weaknesses and compared it with the feedback. In some performance areas his subordinates agreed with him, in others they disagreed. The VP accepted the results as the basis for a performance improvement plan to help him in areas the employees perceived as deficient.

Gulf authors Gerald Bush and John Stinson call the survey "a relatively simple method for senior organization people who sometimes have difficulty getting meaningful performance feedback to obtain this vital information. On another level the corporation sees the method as a useful information exchange and motivational base for job improvement."

Labor's Bibliography on Management

Managers, supervisors and executives will undoubtedly find the U.S. Department of Labor's new bibliography on management a worthy tool in meeting the new performance standards and perhaps more importantly in sharpening their managerial skills.

The bibliography, entitled *The Practice of Management: Selected Recent References*, contains a listing of books and pamphlets on general management theory as well as on more specific topics such as management information systems, management of time, communication in management, change and effectiveness, performance appraisal for managers, executive development for women, supervision of employees and other related topics.

There is also a section which is directly applicable to management in the federal government.

The bibliography concludes with magazine references, which can be found in the Labor Library, on management and personnel management.

The Practice of Management: Selected Recent References is available from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402 at $4.50 per copy. When ordering use stock number 029-000-00406-4.

FEDERAL COURT UPHOLDS HIRING FREEZE

The United States District Court for the District of Columbia recently upheld the federal hiring freeze imposed by President Reagan on January 20, 1981. The freeze was challenged in five lawsuits brought on behalf of all individuals who received written offers of employment between November 5, 1980 and January 20, 1981, who were directed to report to work on a certain date, and who subsequently received notice that the offers were withdrawn as a result of the freeze.

The plaintiffs claimed that: 1) a written offer of employment constitutes an appointment to the federal service and, thus, plaintiffs were federal employees at the time the freeze was imposed; 2) even if the letters were not tantamount to appointment, they created a property interest on behalf of plaintiffs and could not be withdrawn without first affording plaintiffs due process rights (i.e., notice and an opportunity to be heard); and 3) the government was "estopped" from asserting that plaintiffs were not federal employees. The Court rejected each of these arguments.

First, the Court ruled that persons who receive written offers of employment are not federal employees. In so ruling, the Court deferred to the judgment of the Office of Personnel Management (OPM), that an appointment occurs when a Standard Form 50 is completed by an appointing official or when an individual enters on duty and a Standard Form 52 is completed by the appointing officer (provided there is no statutory or regulatory bar to the appointment).

The Court recognized that some form of "definitive appointment action" was necessary to accommodate the personnel needs of the federal government and it saw no reason to substitute its judgment for that of OPM as to the type of action required. Further, the Court noted that federal employment is not governed by principles of contract law. Therefore, it found plaintiffs' argument that the written offers of employment created binding contract rights to be without merit.

Second, the Court held that plaintiffs had failed to establish a due process violation. The Fifth Amendment, as interpreted by the Supreme Court, requires the Government to provide a hearing if it deprives an individual of some benefit to which he or she is statutorily entitled. However, absent a formal appointment, plaintiffs have no legitimate entitlement to a federal job.

Finally, the Court held that the doctrine of equitable estoppel did not apply to the Government in this case. Under the doctrine, the Government would be prevented from denying that plaintiffs were employees if it had affirmatively misrepresented or concealed facts. The Court, however, found that the Government acted in good faith and did not attempt to misrepresent or conceal the true facts.

Conclusion

The plaintiffs have stated their intent to appeal the decision of the District Court. Nevertheless, this decision is an important one. During the past several years, there has been an increasing trend on the part of the federal courts to carefully scrutinize decisions of executive branch agencies, including decisions made in the employment context. This scrutiny has often resulted in the situation where a court is substituting its judgment for that of management officials. In this case, however, the Court refused to substitute its judgment for that of the executive branch. Thus, it deferred to the judgment of OPM concerning the requirements that are essential before an individual is appointed to a federal position and to the judgment of the President concerning the need for a hiring freeze "for the well being and general welfare of the American people." This case, thus, may signal a change in the way federal courts review decisions of the executive branch. *NTEU* v. *Reagan; Trott* v. *Reagan; Wine* v. *Reagan; NAGE* v. *Reagan; Boutilier* v. *Reagan.*

In Brief, a regular summary of news on legal matters of interest to government managers, is prepared by Margery Waxman, General Counsel, OPM.

Report on Utah Reforms

During late 1979 and early 1980, Utah initiated a comprehensive reform of its personnel management structure which touched every aspect of the civil service structure. Based on the operational experience gained thus far, the State offers some preliminary observations.

Goals:
- Increase executive accountability and responsibility
- Create an effective organizational apparatus
- Separate adjudication of grievances and appeals from policy making and implementation
- Eliminate confusion and contradictions in the grievance and appeals process
- Create a structure that answers line agency needs
- Improve central personnel office services

Results:
- Greater awareness of EEO and Affirmative Action as part of all personnel management decisions. Recruitment planning specifically considered long range EEO goals. Utah OPM is currently working to eliminate sexist language from job descriptions and to eliminate discriminatory qualification standards.
- Personnel rules and regulations were changed, giving ageney management increased control over many personnel decisions (e.g. work hours and performance appraisal systems) within broad guidelines established by Utah OPM.
- Negotiated contracts delegate many personnel functions to line agencies with Utah OPM oversight and post-audit control.
- Grievance and appeals procedures have been clarified and streamlined.
- Central personnel service has improved.
- A comprehensive program exists to train all supervisors in performance appraisal techniques.
- Agencies submit staffing plans as part of the budget process, giving the State insight into potential future problems in classification, job design, or job organization.

Lessons Learned:
- Effective reform is easiest after a perception of dysfunction has grown among users of the system and the public.
- Listen to the suggestions of the people affected by proposed changes and carefully explain your ideas in a way that overcomes the reasonable suspicions, doubts, and fears of these people.
- Develop a master plan showing how the system will function as a whole.
- Be prepared to explain the function of, the impact of, the need for, and the interrelationship between elements of the proposed reform plan.

Other Reform Efforts

Equal Employment Opportunity

Maryland: New policies on prohibiting sexual harassment in the workplace are enabling state employees to seek relief from sexual harassment through either grievance or discrimination procedures. The Maryland Commission on Women has also published a brochure on the subject and the State has "speak outs" to hear complaints.
Pennsylvania: The Department of Aging has prepared a handbook, "Affirmative Action Equals Results," in its efforts to establish EEO guidelines for local aging agencies.
Sacramento, California: In an attempt to identify more suitable jobs for the handicapped, some 485 jobs are being reclassified to remove artificial barriers to employment, eliminate unnecessary physical requirements and reduce on-the-job physical hazards.
Texas: To set hiring and promotional goals the Texas Merit System Council conducted a relevant labor market analysis to identify the appropriate populations of women, blacks, and Hispanics.

Merit Pay

Beltrami County, Minnesota: A new merit-based pay system has been established that will award within-grade increases in accordance with the quality of performance.
New Mexico: A new compensation plan is under consideration, providing for: pay levels based on biennial surveys of comparable jobs in New Mexico's private sector, institution of both merit-based within grade increases and one-time performance awards, and a performance-based evaluation system replacing the current trait-based system.

Selection

Wichita, Kansas: A prc has been developed to m requisite characteristics specific managerial vacai against a computerized c bank of managerial skills profiles of upward mobil candidates.

Senior Executive Service

Kentucky: A career executive service system is being developed which will encompass the Certified Public Manager Program, created by the University of Georgia, to serve as a certification mechanism.
Pennsylvania: The State Civil Service Commission will hold public hearings to consider establishing a Senior Management Service.

Productivity

Orange County, California: Management employees will receive training on: how to identify potential cost improvement projects, implementation skills and techniques, cost benefit analysis, and team building. Each employee will then train a team and lead a cost reduction project.
Berkeley, California: Trilateral public service committees (management, union, and citizens) will be assigned to city departments to identify and rectify problems in work organization and public service delivery. They will have authority to institute changes that affect the worksites involved.
Pima County, Arizo

Proposed Pay Reform Legislation

The U.S. Office of Personnel Management (OPM) on March 24 sent Congress proposed legislation for pay reform in the Federal Government. The proposal has been introduced in the Senate as S. 838 and in the House as H.R. 3140. Enacted, the legislation would:

1. Include benefits as well as pay in measuring comparability with workers in the non-Federal sector.
2. Include State and local employees, as well as private sector employees, in the workforce against which the comparison is made.
3. Put General Schedule employees on a locality pay scale rather than the single, national scale that now prevails.
4. Change certain features of the blue-collar pay system to permit closer alignment with non-Federal wage practices.
5. Set Federal pay and benefits at 94 percent of non-Federal pay and benefits, in view of differences between the Federal Government and non-Federal employers with regard to relevant conditions of employment (job security, promotion potential, portability of benefits, etc.).

White Collar Pay

The annual comparability increase for General Schedule and certain other statutory pay systems (Foreign Service, Department of Medicine and Surgery in the Veterans Administration) would continue to take place in October each year.

Proposed increases in pay on a national average basis would be developed based on surveys conducted by the Bureau of Labor Statistics of both pay and benefit increases in the non-Federal sector.

Pay for GS employees would vary up or down from the national average, depending on the level of non-Federal pay in each locality. The national average would be used for the other statutory pay systems and the President would be able to apply the national average in a given locality (for example, for employees overseas) if he deemed it appropriate.

The policy for pay fixing would be based on the principles that there be equal pay for substantially equal work within each GS pay area, and that pay distinctions be maintained in keeping with work and performance distinctions. However, annual adjustments could be different for different grade levels in any given area.

The President would be authorized to establish special rates of pay for one or more areas, grades, occupations, or their subdivisions, if the Government is experiencing significant difficulty in recruiting or retaining well-qualified individuals.

With the new flexibilities provided by locality pay and the broader special rate authority, cost-of-living allowances in Alaska, Hawaii, Puerto Rico, and U.S. territories and possessions would be phased out.

Blue Collar Pay

Pay increases for Federal Wage System employees would continue to be based on local surveys, but would include benefits as well as pay and would take compensation of State and local government employees into consideration.

The proposal would repeal certain statutory provisions of the FWS relating to step-rates, the use of out-of-area survey data in setting local wage schedules, and uniform night-shift differentials.

Pay for blue-collar workers would also be based on 94 percent of comparability.

If the President decided to have an alternate plan instead of a regular pay adjustment for white collar workers, the alternate plan would automatically apply to blue collar workers as well.

Benefits

The President would have the authority to adjust certain Federal employee benefit programs in concert with the process by which they are taken into consideration in the setting of Federal pay. Benefits the President could adjust would include leave and health and life insurance programs.

The President could change the leave program to make it more consistent with non-Federal leave programs, to broaden flexibility and employee freedom of choice in the program, or to improve its administration.

He could also reduce the employee contribution to the cost of Federal Employees Group Life Insurance and to premiums under the Federal Employees Health Benefits program. He could not administratively modify the retirement or other statutory benefits though the cost of those systems would be included in the total compensation comparability program.

Other Provisions

The legislation would remove the link between military pay adjustments and the General Schedule, providing instead that military pay would be increased each October by the amount of the increase in non-Federal pay. It would also authorize the President to provide alternate adjustments for military personnel if he decided it would be appropriate because of national security conditions, national emergency, or economic conditions affecting the general welfare.

The proposal includes savings provisions for employees who might otherwise be adversely affected.

Employees would be guaranteed that pay schedules would go up at least two percent a year for the first five years, despite changes

in the comparison standard and the comparison base, the change in blue-collar laws, etc. It is expected that most employees would get considerably more than this minimum.

Employees now receiving cost-of-living allowances in Alaska, Hawaii, etc., would not suffer any cut in the amount of allowance they are now receiving but the allowances would be reduced in the future by one-half of any other pay increases the employees receive.

The President would be authorized to phase the provisions of the bill into effect over the three years following enactment.

It is estimated the proposal would reduce payroll costs in fiscal year 1982 about $3.7 billion below the costs that would be incurred under operation of present law. Savings in future years would be even greater.

Mileage Rate Error

The report that Public Law 96-346 had raised the mileage reimbursement for government employees traveling on official business from 20¢ to 30¢ per mile (*Management*, Winter 1981) was in error. The new rate established in the Law was 25¢ per mile.

Congressional Organization

The 97th Congress has organized for the current legislative session and there have been several leadership changes in those committees which are primarily concerned with legislation affecting Federal employees.

In the Senate, Senator William V. Roth, Jr. of Delaware now heads the Committee on Governmental Affairs. Senator Thomas Eagleton, of Missouri, is the ranking minority member. Under their stewardship, the Committee will decide the fate of legislation such as compensation reform and annualization of cost-of-living increases for annuitants. Of course, much of the initial action will take place in the Subcommittee on Civil Service, Postal Operations, and General Services now chaired by Senator Ted Stevens of Alaska with Senator David Pryor of Arkansas as the ranking minority member.

In the House of Representatives, there are also several changes. Rep. William D. Ford of Michigan now chairs the House Committee on Post Office and Civil Service. Ford has made known his intention of being a very active Chairman, particularly with regard to the Committee's oversight responsibilities, which encompass over $90 billion in Federal spending, or one-seventh of the total Federal budget. Rep. Edward Derwinski of Illinois is still the ranking minority member and Rep. Patricia Schroeder of Colorado, still chairs the Civil Service Subcommittee. However, two new chairpersons, Representatives Mary Rose Oakar of Ohio and Geraldine Ferraro of New York now chair two Subcommittees having oversight of areas important to Federal workers. Rep. Oakar chairs the Subcommittee on Employee Compensation and Benefits and Rep. Ferraro chairs the Subcommittee on Human Resources.

Legislative Activities

Executive Pay—One of the early activities in the 97th Congress was action by the House Post Office and Civil Service Committee to consider the recommendations of the Quadrennial Commission on Executive, Legislative and Judicial Salaries. Chairman Ford appointed a special task force for this purpose.

The task force held several days of public hearings in February at which witnesses from a variety of organizations expressed their basic support for the recommendations of the Commission.

The President has indicated his intention not to seek raises for top Federal executives at this time. In a letter to key Congressional leaders, OMB Director David Stockman left open the possibility of later executive pay raises during the Reagan presidency.

In his article "time wasters", Mr. Davidson calls third-class mail "junk mail" three times. Does he think mailings for his church publication, grocery store sales, department store sales, his favorite charity, politician or cause are "junk mail"?

Third-class mail provides a valuable service for charitable organizations, political organizations and causes, advertisers, business, and the American people.

Third-class mailings also keep first-class rates much cheaper than they would be without it.

Plant and equipment must be large enough to handle the first-class mail. Third-class mail helps to defray those fixed costs and utilities. The Postal Service must employ enough people to distribute and deliver first-class mail in a timely manner. Such employees must, of course, be paid for eight hours. Distributing (and delivering) third-class mail takes up the slack, when there is no first-class mail to move. (The volume of first-class mail varies from day to day and from week to week.)

The distribution and delivery of first-class mail, time value newspapers and periodicals, and parcels always take precedence over third-class mail.

I'll make a deal with you. I won't call employees of the Office of Personnel Management "bureaucratic boondogglers" if you won't use the term "junk mail."

M. L. Hemmingsen
Postmaster
Glendale, CA

I am writing to strongly object to the potentially damaging overgeneralizations made by Jeffrey P. Davidson in his recent article, "Favorite Employee Time Wasters" in **Management**.

Mr. Davidson's article focused on the time that is allegedly abused by employees. He described several of these productivity depleting behaviors. A critical flaw in his analysis, however, is that he makes no comments regarding the type, intensity, and quality of the work that occupies the balance of the day's activities. In doing so, he implicitly makes three erroneous assumptions:

1. The activities engaged in as "time wasters" are mutually exclusive of the balance of the regular daily activities,
2. The impact of "time waster" activities on regular activities is the same or "similar" for all types of employment, and
3. The average hourly productivity is a constant for each employee across all hours of the day and across all days.

A simple example of the impact of these assumptions will clarify the criticism. The degree to which coasting until check-out time is a time waster is dependent upon the intensity of the work effort during hours prior to the coasting period. If a group of employees exceed their average hourly productivity for two hours before check-out time, then the alleged dollars lost in the last 30 minutes of the day during the less than or no productivity time is more than counterbalanced. "Non-productive" time is a value judgment. To this manager and other experts, if this "coasting" time serves as a regeneration of energy for the successful completion of highly productive, intensive efforts, then I welcome the rest period. Many workers engaged in intense, demanding tasks need more than the one-hour lunch and two 15-minute coffee breaks each day to successfully do their job.

A serious problem with Mr. Davidson's generalizations is that employees cannot be trusted to manage their days; that if they break for 30 minutes before closing, they are "coasting" or "abusing" the company. Hogwash! It is precisely this attitude that engenders lack of trust and disloyalty between management and employee—the ultimate infringement upon productivity.

Finally, Mr. Davidson's comments about overimbibition are deleterious. Again, alleged overimbibition (which varies for individuals) and the resultant diminishment of professionalism are value judgments. It is not uncommon for physicians to recommend a limited amount of alcohol as an equilibrating or settling agent. Moreover, I hear no criticisms of the excess coffee drinker or smoker and the impact of these behaviors upon productivity and professionalism. These self-righteous, judgmental statements are the real productivity depletors. All employees have weaknesses that impact upon their productivity. When hiring a human being, not a piece of equipment, a good manager accepts the package of strengths and weaknesses and trusts that the employee is task-oriented and prepared to meet deadlines with high quality workmanship. These assumptions apply to all levels of employment. Any judgments made about a person's ability to represent the organization should be confined to the quality of a person's character and personality. I am by no means suggesting or condoning excessive behaviors that seriously affect productivity in the long run. However, I strongly recommend that management take a caring, concerned attitude about these behaviors rather than labeling them as "time wasters." This dismissal as "time wasters" is characteristic of employers suffering from high turnover and ultimate low productivity of their staff. I recommend that Mr. Davidson see "9 to 5" at his local theater in order to draw a more sophisticated attitude towards "old-fashioned higher productivity."

Robert M. Politzer, Sc.D.
Columbia, MD

In his famous memo on improving Government prose, which was reprinted in the Winter, 1981 issue of **Management**, Alfred Kahn says

> "...presently" (means) "soon" or "immediately" and not "now." The use of "presently" in the latter context is another pomposity: why not "now?" Or, if necessary, "currently?"

Since you reprint the memo, I assume you share its sentiments. On page 34 of the same issue, however, I find

> A year's subscription (presently 4 issues a year) may be purchased...

Clearly, an editor's job is not an easy one.

Dr. Ronald C. Semono
VA, Washington, DC

(Clearly, you are right—on both counts. See correction. Thanks. Ed.)